

# **Title 440 - Programs**

## **Conservation Programs Manual**

### **Part 515**

#### **Environmental Quality Incentives Program**

REVIEW DRAFT 4: 5/23/03

# **Conservation Programs Manual**

## **Environmental Quality Incentives Program**

### **Table of Contents**

#### **Part 515 Environmental Quality Incentives Program**

##### **Subpart A General Information**

- 515.10 Overview
- 515.11 Source of Authority
- 515.12 Purpose and Use of Manual
- 515.13 Program Objectives

##### **Subpart B Responsibilities**

- 515.20 Overview
- 515.21 Natural Resources Conservation Service Responsibilities
- 515.22 Farm Service Agency Responsibilities
- 515.23 Conservation District Responsibilities
- 515.24 Responsibilities Assigned to Other Agencies

##### **Subpart C Roles of Committees and Other Groups**

- 515.31 State Technical Committee
- 515.32 Local Work Groups

##### **Subpart D Information and Education**

- 515.40 Overview
- 515.41 Information and Outreach

##### **Subpart E Appeals**

- 515.51 Appeals
- 515.52 Reconsideration of Technical Determinations
- 515.53 Appeals and Decisions
- 515.54 Notification Requirements

#### **Subpart F Program Eligibility**

- 515.61 Producer Eligibility
- 515.62 Eligibility of Land

#### **Subpart G Fund Allocation**

- 515.71 Allocation Process
- 515.72 CCC Funding Requirements

#### **Subpart H Contract Application Acceptance and Evaluation**

- 515.80 Applications
- 515.81 Accepting Applications
- 515.82 Application Evaluation Process
- 515.83 Processing Applications

#### **Subpart I EQIP Plan of Operations**

- 515.90 Overview
- 515.91 Eligible Conservation Practices
- 515.92 Quality Assurance and Oversight for Conservation Planning and Implementation

#### **Subpart J Conservation Practice and Technical Assistance Payments**

- 515.101 Establishing Cost-Share and Incentive Payments
- 515.102 Payments and Payment Limitations
- 515.103 Payment Limitation Waiver

#### **Subpart K Contracts, Payments, and General Administrative Requirements**

- 515.111 Contract Requirements

- 515.112 Contract Modifications
- 515.113 Compliance
- 515.114 Contract Termination
- 515.115 Payment Procedures
- 515.116 Computing Payments, preparing and using the CCC-1245
- 515.117 Partial Payments, Offsets and Withholdings

#### **Subpart L Conservation Innovation Grants**

- 515.121 Overview
- 515.122 Implementation

#### **Subpart M Program Evaluation and Assessment**

- 515.131 Evaluation and Assessment Process
- 515.132 Program Evaluation and Assessment Report

#### **Subpart N Exhibits**

- 515.141 CCC-1200, Conservation Program Contract
- 515.142 CCC-1245, Practice Approval and Payment Application
- 515.143 ACP-246, Payment Summary Sheet
- 515.144 FSA-211, Power of Attorney
- 515.145 CCC-501B, Designation of “Permitted Entities”
- 515.146 NRCS-LTP-13, Status Review
- 515.147 NRCS/FSA Roles and Responsibilities
- 515.148 Conservation Practice Life Spans
- 515.149 Sample Letters
- 515.150 Glossary of Terms
- 515.151 Glossary of Abbreviations

# Part 515 - Environmental Quality Incentives Program

## 515.10 Overview

---

### a Background and Purpose

The Environmental Quality Incentives Program (EQIP) is re-authorized by the 2002 Farm Bill to:

- Promote agricultural production and environmental quality as compatible national goals, and to optimize environmental benefits:
  - On private lands with farmers and ranchers,
  - On a voluntary basis,
  - Using local, State, tribal, and Federal partnerships,
  - Providing flexible technical and financial assistance,
  - Assisting farmers and ranchers in complying with Federal, State, and tribal Regulatory requirements, and
  - Encouraging environmental enhancement.
- Stimulate innovative approaches to leveraging the Federal investment in environmental enhancement and protection, in conjunction with agricultural production through Conservation Innovation Grants

### b Program Availability

The program is available to all eligible producers in the United States, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

### c Procedure

EQIP provides technical assistance, cost-share payments, incentive payments, and training to producers who enter into contracts based on an EQIP plan of operations

### d Agency Responsibilities

NRCS has overall leadership for the program and is responsible for establishing policies, priorities, and guidelines for EQIP and will also provide technical assistance.

As agreed in a national reimbursable agreement, FSA will assist with implementing administrative processes and procedures for fund accounting, payment processing, payment reporting, and other matters as mutually agreed and included in the exhibit 515.144.

Conservation Districts convene the Local Work Groups and provide advice and recommendations to the Designated Conservationist for program implementation.

Conservation districts and FSA county committee's responsibilities are outlined in Sections 515.21, 515.22 and 515.23 for local implementation of EQIP through the Local Work Group.

## Subpart A - General Information

### 515.11 Source of Authority

---

#### a Legislative Authorities

Legislative authorities for the policy and procedure contained in this manual, codified in 16 U.S.C. 3801 et seq., are:

- Food Security Act of 1985, Public Law 99-198, Title XII,
- Federal Agriculture Improvement and Reform Act of 1996, Public Law 104-127, and
- Farm Security and Rural Investment Act of 2002,, Public Law 107-171

#### b Federal Register

The Federal Register reference for EQIP is 7 CFR Part 1466 published on May ??, 2003.

#### c Authority to Waive Administrative Procedures

The NRCS Director, Conservation Operations Division, may waive any administrative procedural provision in this manual:

- Unless prohibited by statute or regulation
- If the waiver is justified and will not defeat the purposes of the program

Note: This relief is in addition to the appeals provisions of EQIP.

Requests for waivers may be submitted in writing to the Director, Conservation Operations Division, who will review the request and make an appropriate determination. Requests for waivers will include:

- A description of the problem with the existing procedure, including specific reference to actual situations,
- A description of the recommended procedure, and
- A recommendation by the State Conservationist for the applicable State.

#### d Delegation of Authority

The State Conservationist may delegate responsibilities on items for which they have responsibility, unless specifically prohibited by the manual or other agency policy.

## **515.12 Purpose and Use of Manual**

---

### **a Purpose of this Manual**

This manual contains USDA policy, guidance, and operating procedures for implementing 7 CFR Part 1466, in accordance with the final rules identified in paragraph 515.11(b).

### **b Knowledge by Employees**

USDA personnel assigned EQIP responsibility will have a working knowledge of this manual as well as 7 CFR Part 1466.

### **c Use of Manual**

This manual will be used to provide:

- Policy implementation, guidance, and operating procedures for NRCS and FSA
- A reference and training tool for:
  - NRCS employees,
  - FSA employees,
  - Conservation districts,
  - State Technical Committee and Local Work Group members,
  - Personnel from cooperating agencies and organizations,
  - Technical Service Providers,
  - Tribes, and
  - Others.

### **d Supplements to This Manual**

State supplements to this manual may be made by the State Conservationist unless specifically prohibited by the manual or other agency policy.

## 515.13 Program Objectives

---

### a Objectives

The EQIP objectives, as stated in the 2002 Farm Bill, are to promote agricultural production and environmental quality as compatible national goals, and to optimize environmental benefits, by--

1. Assisting producers in complying with local, State, Tribal, and National regulatory requirements concerning--
  - Soil, water, and air quality;
  - Wildlife habitat; and
  - Surface and ground water conservation
2. Avoiding, to the maximum extent practicable, the need for regulatory programs by assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria established by Federal, State, tribal, and local agencies;
3. Providing flexible assistance to producers to install and maintain conservation practices that enhance soil, water, and related natural resources (including grazing land, wetland, and wildlife habitat) while sustaining production of food and fiber;
4. Assisting producers to make beneficial, cost effective changes to cropping systems, grazing management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural land;
5. Consolidating and streamlining conservation planning and regulatory compliance procedures to reduce administrative burdens on producers and the cost of achieving environmental goals.

### b National Priorities and National Measures

In order to provide direction to the state and local levels for implementing EQIP to achieve the objectives, NRCS has established the following National priorities:

- Reductions of nonpoint source pollution, such as nutrients, sediment, pesticides, or excess salinity in impaired watersheds consistent with TMDLs where available as well as the reduction of groundwater contamination and the conservation of ground and surface water resources;
- Reduction of emissions, such as particulate matter, nitrogen oxides (NO<sub>x</sub>), volatile organic compounds, and ozone precursors and depleters that contribute to air quality impairment violations of National Ambient Air Quality Standards;
- Reduction in soil erosion and sedimentation from unacceptable high levels on agricultural land; and
- Promotion of the conservation of at-risk species habitat.



NRCS has also identified specific measures that can help EQIP achieve its National priorities and statutory requirements more efficiently. These measures include identifying and implementing conservation practices that:

- Increase overall environmental benefits, for example by addressing multiple resource concerns, ensuring more durable environmental benefits, and limiting adverse ancillary impacts;
- Encourage innovation;
- Comply with the statutory mandate to apply nationally 60% of available financial assistance to livestock-related conservation practices;
- Employ appropriate tools to more comprehensively serve EQIP purposes, such as Comprehensive Nutrient Management Plans and Integrated Pest Management Plans.

NRCS will review these priorities and measures annually and make revisions as required to address emerging resource issues. NRCS will:

- Use the National priorities to guide the allocation of EQIP funds to the State NRCS offices,
- Use the National priorities in conjunction with state and local priorities to assist with prioritization and selection of EQIP applications, and
- Periodically review and update the National priorities utilizing input from the public and affected stakeholders to ensure that the program continues to address national resource needs.

EQIP funds are not to be used as an emergency disaster program. EQIP funds are not to be used to restore land damaged by a natural disaster unless identified as a priority resource concern by the State conservationist with advice from the State Technical Committee.

## Subpart B - Responsibilities

### 515.20 Overview

---

#### a Introduction

This subpart defines the administrative, technical and program responsibilities for:

- NRCS
- FSA
- Conservation Districts
- Other agencies and Tribes

NOTE: This manual provides an overview of the responsibilities of the agencies towards implementation of the program. The specific tasks of FSA will be itemized in a reimbursable agreement as agreed by NRCS and FSA. These specific tasks will be transmitted to all offices as a supplement to this manual as necessary.

## **515.21 Natural Resources Conservation Service Responsibilities**

---

### **a Introduction**

This section defines NRCS responsibilities for:

- National Office
- Regional Offices
- State Offices
- Field Offices

**Note:** Refer to other sections of the manual for policy and guidance on how to carry out the identified responsibilities.

### **b National Office**

The Deputy Chief for Programs provides national leadership for:

- Program development and implementation
- Making funding allocation recommendations
- Coordinating with FSA and other agencies at the national level
- Other responsibilities delegated by the Chief

The Director, Conservation Operations Division, provides national leadership for:

- Overall EQIP leadership and management
- Maintaining liaison and working relationship with national FSA program leaders, National Association of Conservation Districts, and other agencies and organizations
  - Waiving administrative procedures as warranted.
  - Program training
  - Overall program evaluation coordination
  - Providing appropriate budget documents for EQIP for inclusion in CCC's annual budget submission
  - Establishing policies, procedures, and regulations
  - Developing the EQIP manual on program policies and procedures
  - Recommending funding allocations
  - Oversight of implementation of Conservation Innovation Grants
  - Other responsibilities as assigned by the Deputy Chief for Programs

### **c Regional Offices**

- The Regional Conservationist will be the approving authority for all contracts with total contract obligations greater than \$100,000. This authority cannot be delegated.
- Concur on State Conservationist approval of practice cost list(s) with cost-share exceeding 50 percent.

(EQIP MANUAL - 2002 FARM BILL EDITION)

- Provide local FSA office(s) with the Regional Conservationists signature as the delegated authority to approve contracts.

#### **d State Offices**

The State Conservationist will provide leadership for EQIP activities in the State, including the following responsibilities:

- Chair and seek technical advice from the State Technical Committee
- Develop additional guidelines for conservation needs assessments
- Establish State program management policies, procedures, and program performance indicators
- Program and fund accountability
- Approval of the practice cost lists used in the state which contain a cost-share rate exceeding 50 percent
- Conduct statewide public outreach and information activities
- Establish State policies, resource concerns and priorities, and eligible practices
- Determine cost-share and incentive payment limits and methods of payment
- Determine fund allocations to the local level
- Identify, monitor and analyze performance indicators and evaluate and report program impacts on resources
- Identify a Designated Conservationist for each jurisdiction of the state with the authority to carry out activities of the CCC. Assure original signatures of designees are provided to appropriate local FSA offices
- Implement the provisions of section 1240H; Conservation Innovation Grants, as appropriate
- Provide training
- Coordinate across state lines with other State Conservationists
- Participate in appeal process, as appropriate
- Provide leadership for developing cooperative agreements with other conservation partners concerning their roles and responsibilities
- Allocate technical resources to address concerns in the State
- Review Local Work Group application process to assure program purposes are achieved and that USDA civil rights responsibilities are met.
- Sign, on behalf of the Secretary, any and all documents necessary to implement the program
- Other responsibilities as assigned by the Chief

#### **d Field Offices**

Designated conservationists will provide leadership for EQIP activities in their area of authority, (as delegated by the State Conservationist) with advice of the local work group, including the following responsibilities:

- Provide local program management leadership
- Assess natural resource and environmental conditions and needs

(EQIP MANUAL - 2002 FARM BILL EDITION)

- Identify program priorities and resources available
- Make program policy recommendations to the State Conservationist
- Manage and administer EQIP contracts including initial development, modification, termination as delegated by the State Conservationist
- Recommend criteria, needs, and priorities for basis of EQIP application evaluation process
- Provide leadership in carrying out public outreach and information activities at the local level
- Participate on the Local Work Group, convened by the Conservation District(s)
- In the absence of a conservation district, convene the Local Work Group
- Determine acceptability of EQIP plan of operations
- Determine eligible conservation practices, and recommend cost-share rates and incentive payment limits and methods of payment, with advice of the Local Work
- Develop a process to evaluate EQIP applications based on advice from the Local Work Group
- Implement policies and procedures
- Accept program applications and forward request for “participant” eligibility determination to FSA
- Analyze performance indicators and reports
- Monitor, evaluate, and report program impacts on natural resources
- Participate in appeal processes, as appropriate
- Provide leadership for developing cooperative agreements with local conservation partners
- Document case file, outreach and information activities per NPPH
- Prepare and send letters to participants relating to items that are NRCS responsibilities, such as:
  - EQIP plan of operations development and acceptance
  - Application approval, disapproval or deferral
  - Conservation practice standards and specifications
- Determine Land Eligibility
- Provide local FSA office with an authorized signature of individuals who are delegated authority to certify and approve payments from CCC
- Ensure contracts and payments are not approved in excess of allocations
- Other responsibilities as assigned by the State Conservationist
- Develop a process for and make selections annually for assessing Limited Resource Producer and New and Beginning Farmer Status
- **Make random selection of 5 percent of the Limited Resource Producer/Rancher and 5 percent of the Beginning Farmer/Rancher certifications and forward to FSA for verification.**

## 515.22 Farm Service Agency Responsibilities

---

### a Introduction

This section defines the FSA responsibilities for:

- National Office
- State Offices
- County Offices

**Note:** Refer to other sections of the manual for policy and guidance on how to carry out the identified responsibilities. An agreed to list of agency responsibilities is included in Subpart N, Exhibit 515.144.

### b National Office

The National FSA Office will have responsibilities for:

- Providing specific administrative services, as mutually agreed to with NRCS.
- Consult with NRCS on policies, procedures, manuals, and national program priorities
- Providing leadership for appeals and mediation processes
- Providing additional services to support administration of the program as mutually agreed to with NRCS

### c State Office and FSA State Committee

The State Executive Director provides leadership for FSA activities associated with EQIP in the State. The State Executive Director's responsibilities are:

- Participate on the State Technical Committee
- Provide administrative services to support the program as mutually agreed to with NRCS, which may include but not limited to:
  - Maintain state allocation ledgers
  - Issue allocations to FSA offices based on state NRCS office instructions
  - Oversee county allocation and management and ensure discrepancies are reported to NRCS
  - Control aggregate payment limitations for participants
  - Prepare case files for appeals before state FSA committee for which FSA made initial adverse determination
  - Represent USDA before NAD for appeals for which FSA made initial adverse determination

### d County FSA Committee

The County FSA Committee responsibilities are to:

- May participate on the Local Work Group
- Hear appeals, with NRCS, as appropriate

## **e County Offices**

The County FSA Office responsibilities are to:

- May participate on the Local Work Group
- Update county eligibility tables in FSA System 36
- Administer payment limitation provisions, as applicable
- Disburse payments upon appropriate certification
- Provide administrative services to support the program, as mutually agreed to with NRCS, which may include but not limited to:
  - Accept applications
  - Verify or create, as necessary, farm records
  - Make individual payment interest determinations or “person” determinations
  - Determine available aggregate payment limitation
  - Ensure obligations in excess of allocations are not recorded in system
  - Prepare CCC-1245
  - Upon receipt of CCC-1245 signed by authorized agent, issue payment
  - Control payment limitation
  - Prepare case files for appeals before county FSA committee
  - Complete spot checks on Limited Resource Producers and Beginning Farmers and Ranchers as appropriate

REVIEW DRAFT 4.2 5/22/03

## **515.23 Conservation District Responsibilities**

---

### **a Introduction**

This section defines the responsibilities assigned to:

- State Soil Conservation Agency and/or State Association of Soil and Water Conservation Districts
- Local Conservation Districts

### **b State Soil and Water Conservation Agency/State Association of Soil and Water Conservation Districts**

- May participate as a member of the State Technical Committee

### **c Local Conservation Districts**

Local Conservation Districts (CD) are legal subdivisions of state government and are charged by state law with providing leadership for soil, water and natural resource conservation within District boundaries. As a result they have an essential role in the implementation of USDA cost-share programs. The CD role includes identifying local resource concerns, objectives and priorities, recommending application and evaluation processes, recommending priorities for assistance, and assuring local resource priority issues and concerns are being addressed. They have the following responsibilities:

- Convene and participate on the Local Work Group
- Assess natural resource conditions and needs
- Identify local program priorities and available resources
- Provide input and recommendations to NRCS for program guidelines
- Accept applications for contracts and forward to NRCS
- Develop environmental quality incentives program plans of operation, where appropriate
- Provide technical assistance support, where appropriate
- Provide contract administrative support, where appropriate
- Assist NRCS with local information and outreach activities
- Consult with NRCS on issues relating to EQIP plans of operations and conditions for contract termination
- Others as requested by the State Conservationist



## **515.24 Responsibilities Assigned To Other Agencies and Tribes**

---

**a Other Federal and State and local agencies and tribes may have the following responsibilities:**

- Serve as a member of the State Technical Committee and/or Local Work Group
- Provide input and recommendations to NRCS for developing program guidelines
- Assist NRCS with information and outreach activities
- Provide technical assistance where appropriate

REVIEW DRAFT 4: 5/23/03

## Subpart C - Roles of Committees and Other Groups

### 515.31 State Technical Committee

---

#### a Legislative Authorities

Section 1446 of the Food Security Act of 1985, as amended, authorizes the State Technical Committee to provide recommendations for establishing criteria, priorities, and other State-level initiatives under EQIP. The roles and responsibilities of the State Technical Committee are found in the Conservation Programs Manual (CPM440, Part 501, Subpart B).

## 515.32 Local Work Groups

---

### a Purpose

The purpose of the local work group is to facilitate locally led conservation (CPM440, Part 500) and to provide advice to NRCS concerning the implementation of conservation programs including EQIP in accordance with the Federal Advisory Committee Act. Convened by the local conservation district(s), the local work group may advise NRCS on:

- Conditions of the natural resources and the environment
- The local application evaluation process, including application ranking criteria and application periods
- Identifying the educational and training needs of producers
- Cost-share rates and payment levels and methods of payment
- Eligible conservation practices
- The need for new, innovative conservation practices
- Public outreach and information efforts
- Program performance indicators
- Representatives to serve on a multi-State committee, as needed

### b Membership

The local work group may consist of Federal, State, Tribe, County, or local government or agency representatives including:

- NRCS Designated Conservationist
- Members of the Conservation district board(s) or equivalent
- Members of the FSA county committee(s)
- FSA county executive director or designee
- Conservation district manager
- Cooperative Extension (board members or managers)
- State or local elected or appointed officials
- Other Federal, State government representatives
- Representatives of American Indian and Alaskan Native governments.

**Note:** Members of local work groups will have interest and expertise in the natural resources of the local area. The local work group is subject to the Federal Advisory Committee Act which limits membership to agency representatives

### c Working Procedures

The Local Work Group will be convened by the Conservation District and will establish its own working procedures, including:

- Organization

- Establish meeting dates, including timely notification of members
- Holding open meetings for public input
- Recording and distributing Local Work Group considerations, actions, and recommendations
- Others as deemed necessary
- Chair designation
- Open meeting procedures are to be followed including the use of closed executive session

The considerations, actions, and recommendations of the Local Work Group will be recorded as official meeting minutes and distributed to Local Work Group members.

**Note:** Nothing herein shall be interpreted to preclude the Conservation District from exercising their authority under state law to convene stakeholder groups beyond the Local Work Group to obtain input for carrying out their conservation responsibilities.

#### **d Absence of the Conservation District**

Where a conservation district does not exist or waives its right, the Designated Conservationist will convene the Local Work Group.

**Note:** If a Conservation District does not convene a Local Work Group meeting by a date set by the Designated Conservationist necessary for the Local Work Group to provide timely advice to NRCS concerning the implementation of EQIP, this will be considered a waiver of rights and the Designated Conservationist will convene the Local Work Group.

## Subpart D - Information and Outreach

### 515.40 Overview

---

#### a Explanations of Information and Outreach

While information and outreach are frequently managed similarly and they may have common purposes and activities, a distinction is made in EQIP due to the statutory limitations placed on education assistance. The statute authorized the Secretary to provide “the producer with information and training to aid in implementation of the EQIP plan of operations.” The following are general explanations of information, outreach, and education:

- Information includes those activities to develop, produce, and deliver general news, knowledge, and facts about the program. Information is delivered extensively to a wide audience. **NRCS will use all available media to provide full disclosure of contract ranking, eligible practices, cost-share rates and program descriptions.**
- Outreach includes those activities to develop, produce, and deliver general news, knowledge, and facts about the program to a specific audience. Outreach efforts are typically aimed at producers who have been historically underserved, have not historically participated in conservation programs, or who require special emphasis or accommodations. The intent of outreach activities is to assure that the targeted producers are aware and informed of program opportunities and have access to program participation
- Training and Education includes those activities to develop, produce, and deliver technical news, knowledge, and facts to producers to help them identify and understand their natural resource and environmental conditions, and to know how to develop, implement, and maintain a conservation system

### 515.41 Information and Outreach

---

#### a Special Emphasis

Special emphasis will be made in all information activities to provide conservation assistance and program outreach, and access to limited resource producers, minority producers, small-scale producers, Tribal members, Alaska Natives, Pacific Islanders, producers with disabilities, and other producers who have not historically participated in conservation programs. Special outreach efforts could include, but not be limited to:

- Establishing special outreach activities at the national, state, and local levels
- Providing special accommodations, to the extent possible, to assure that producers are aware, informed, and have access to information and assistance, such as:
  - Using language spoken by the intended audience
  - Using appropriate media sources to reach the intended audience

## Subpart E - Appeals

### 515.51 Appeals

---

#### **a Appeal Process**

All EQIP appeals will be handled according to FSA Handbook 1-APP and CPM, Part 510 Subpart B.

#### **b Actions Not Appealable**

Actions and decisions that are generally applicable to all producers in the Nation, State, or Tribes and are not specifically adverse to a participant, are not appealable in EQIP, such as:

- Payment limits, cost-share payment rates, and incentive payment levels
- Identification of significant natural resource concerns
- Funding allocations and decisions
- Eligible conservation practices
- NRCS conservation practice standards and specifications and other technical criteria
- The established process for application ranking
- Procedural decisions relating to program administration
- Science-based formulas and criteria
- Other matters of general applicability

#### **c General Conditions of Appealability**

EQIP actions and decisions that are specifically adverse to the participant and are not generally applicable to other producers in the Nation, State, Tribe or local area are appealable.

## **515.52 Reconsideration of Technical Determinations**

---

### **a Technical Determinations**

NRCS makes technical determinations that are used to determine a participant's overall eligibility for the program (such as land eligibility), and to determine if a participant's application is eligible to be selected for a contract.

### **b Final Technical Determinations**

Initial technical determinations made using the EQIP evaluation process (according to paragraph 515.82) are not adverse to the participant until after EQIP contracts are awarded to those participants who applied. NRCS will notify producers of the decisions and inform the participant of his/her appeal or mediation rights, in accordance with FSA 1-APP and CPM, Part 510.

**Note:** Only those issues that are considered to be appealable will be given appeal consideration. See CPM, Part 510, or FSA 1-APP for those issues considered to be appealable or non-appealable.

### **c County FSA Committee Determinations**

If the county FSA committee (COC) determines the issue can be appealed, according to 515.51(c) and the appeal has merit, the COC shall request, through the State Executive Director, the State Conservationist to review the technical determination. The request shall be in writing, and shall list the reasons why the COC finds merit in the appeal, including any information that may not have been known or considered by NRCS originally. After receiving the State Conservationist's written review of the technical determination, the COC shall issue a final decision on the appeal consistent with the State Conservationist's technical determination. See CPM, Part 510, Subpart B.

## **515.53 Appeals and Decisions**

---

### **a Non-technical Determination Appeals**

Appeal and reconsideration of FSA decisions shall be handled according to FSA Handbook 1-APP (Rev. 1), paragraph 26, and NRCS CPM, Part 510.

### **b Technical Determination Appeals**

Appeal of NRCS technical determinations shall be handled according to FSA Handbook 1-APP (Rev. 1), paragraph 72, and NRCS CPM, Part 510.

REVIEW DRAFT 4: 5/23/03



## 515.54 Notification Requirements

---

### a Notification of Non-appealable Issues

Participants shall be notified by the county FSA committee in consultation with NRCS if they have filed an appeal of a non-appealable issue. The notice shall include:

- the participant's right to request a NAD appealability determination within 30 calendar days of the determination that the issue is not appealable;
- the address of the NAD Regional Director

**Note:** When an appealability review has been requested, and NRCS technical matters are a part of or the entire basis of the request for the appealability review, it is FSA's responsibility to notify NRCS that a review has been requested.

NRCS must be provided the opportunity to provide NAD information that will support the non-appealability of the issue.

### b Appeals in Writing

The request for appeal or reconsideration shall be in writing from the participant and considered filed, on any one of the following dates, when:

- personally delivered to the FSA county office;
- postmarked; or
- completed facsimile received

## Subpart F – Program Eligibility

### 515.61 Producer Eligibility

---

#### a Introduction

FSA, as agreed in NRCS/FSA reimbursable agreement shall make producer eligibility decisions using guidance contained in 1 PL and 7CFR 1400.

**b Eligibility** Only agricultural producers, individuals or entities engaged in livestock or agricultural production, may participate in EQIP. There are, however, circumstances that may limit an individual's or entity's participation; these include:

- Federal and state governments and political subdivisions thereof, are not eligible.
- The applicant must be in compliance with highly erodible land and wetland conservation provisions. Applicant will ensure that a current AD-1026 is on file, in accordance with 6-CP, at time of application.
- The individual or entity may not be eligible due to the Adjusted Gross Income provisions in 7 CFR 1400, Subpart G
- An individual or entity may not be eligible for reasons of payment limitations; see section 515.102
  - All individual producers, entities, or other applicants with multiple beneficiaries will provide tax identification codes and social security numbers at the time of application for purposes of monitoring payment limitations.
    - Any participant that utilizes a unique identification number as an alternative to a social security number will utilize only that identifier for any and all other EQIP contracts that the participant is party to. Violators will be considered to have provided fraudulent representation.
  - Entities which do not provide the social security numbers of all members of the entity and embedded entities are not eligible to participate
- With regard to contracts on Indian Land, payments exceeding the payment limitation may be made to the Tribal venture if an official of BIA or a Tribal official certifies in writing that no one individual directly or indirectly will receive more than the Tribal entity must also provide, annually, listing of individuals and payments made, by social security number or other unique identification number, during the previous year for calculation of overall payment limitations. The Tribal entity must also produce, at the request of NRCS, proof of payments made to the individuals that incurred the costs for installation of the practices.

Agency Employees who meet the producer eligibility requirements of the program shall be eligible for the program but must not;

- Be responsible for any part of the planning, ranking, and/or selection process for themselves or any other program applicant within the same program competitive area.

- All such conflicts of interest which adversely effect the ability of an employee to perform the significant duties of their position if they apply for participation shall be reported to the Deputy Chief for Management

Note: If the applicant does not meet producer eligibility criteria, application will be cancelled and appeal rights given.

REVIEW DRAFT 4, 5/23/03

## **515.62 Eligibility of Land**

---

### **a Land Eligibility Decisions**

NRCS makes land eligibility decisions.

### **b Eligible Land**

In general, the term “eligible land” means land on which agricultural commodities or livestock are produced. This includes:

- Cropland
- Rangeland
- Grassland
- Pasture land
- Private, non-industrial forestland: and
- Other land which the Secretary determines poses a serious threat to soil, air, water , or related resources

(Note: A participant will be eligible for cost-share or incentive payments for irrigation related structural and land management practices only on land that has been irrigated for two of the last five years prior to application for assistance..)

### **c Land Ownership and Control**

Land may only be considered for enrollment if the land is:

- Privately owned.
- Publicly owned land where:
  - The land is under private control for the contract period and included in the participant’s operating unit, and
  - Installation of conservation practices will contribute to an improvement in the identified natural resource concern, and
  - The conservation practices will directly benefit agricultural land owned by the participant, and
  - The participant has written authorization from the Government landowner to apply the conservation practices.
- Tribal, allotted, ceded, or Indian trust land

### **d Evidence of Control of Land**

An applicant must provide satisfactory evidence that control of the land will continue uninterrupted for the contract period. Evidence may include, but is not limited to:

- Deed or other evidence of land ownership.
- Lease.
- Documented historical use of the land.

**Note:** Evidence may already be on file in the FSA county office or NRCS field office, and should be referenced

**e      Permission of the Landowners**

An applicant proposing to implement a structural practice on rented land must submit written concurrence by the landowner at time of application. See paragraph 515.81(c)

**f      Land enrolled in other Conservation Programs**

Land enrolled in other conservation programs is eligible under EQIP. See paragraph 515.91b for practice eligibility.

REVIEW DRAFT 4: 5/23/03

## Subpart G – Fund Allocation

### 515.71 Allocation Process

---

#### a Introduction

The NRCS national office will notify the State NRCS offices of the amount of financial and technical assistance that each state will receive after funds are appropriated and apportioned.

#### b National Allocation

NRCS will determine the allocation of EQIP funds to NRCS State Conservationists based on National priorities as well as the following considerations:

- The significance of the environmental and natural resource concern and the opportunity for environmental enhancement ;
- The conservation needs of farmers and ranchers in complying with the highly erodible land and wetland conservation provisions of 7 CFR part 12;
- The ways the program can best assist producers in complying with Federal, State, local, and Tribal environmental laws, quantified where possible;
- The amount of agricultural land in different land use categories, such as grazing land, specialty crops, and others; and
- Other relevant information to meet the purposes of the program

#### c Performance Incentive

Performance Incentive - Each fiscal year, NRCS will retain a portion of the initial EQIP funding as a reward for states that demonstrated a higher level of performance in achieving the National priorities. When allocating the performance incentive funds to those states demonstrating higher levels of performance, the Chief of NRCS will analyze State EQIP implementation performance considering factors such as:

- The percentage of contracts with long lived cost-effective practices,
- The percentage of contracts that benefit multiple resources,
- The degree to which states encourage innovation and the leveraging of EQIP funds
- Strategic planning EQIP implementation
- The efficiency and cost effectiveness of program delivery,
- Achieving national priorities
- The use of Technical Service Providers
- Contracts with limited resource producers

#### d State Allocations

The State Conservationist with advice of the State Technical Committee will determine how to use EQIP funding. The State Conservationist will direct funds to identified resource concerns at the state and/or local level.

The State Conservationist, with the advice of the State Technical Committee, will:  
(EQIP MANUAL - 2002 FARM BILL EDITION)

- Identify State priority natural resource concerns that incorporate National priorities and measures and will use NRCS's Integrated Accountability System to establish local level EQIP performance goals and treatment objectives;
- Consider the following when determining how to manage the EQIP program and how to allocate funds within a state:
  - The nature and extent of natural resource concerns at the state and local level;
  - Goals, objectives, and solutions, quantified when and where possible, for the natural resource concerns in order to optimize the environmental benefits that would be delivered with the authorized Federal dollars;
  - Science-based background data, quantified when and where possible, on the environmental status and needs, soils information, demographic information, and other available technical data that illustrate the nature and extent of natural resource concerns;
  - The availability of human resources, incentive programs, education programs, and on-farm research programs from Federal, State, Indian Tribe, and local levels, both public and private, to assist with the activities related to the priority natural resource concerns;
  - The existence of multi-county and/or multi-state collaborative efforts to address regional priority natural resource concerns;
  - Ways and means to measure performance and success; and
  - The degree of difficulty that producers face in complying with environmental laws

Educational assistance, as determined by the State Conservationist, will be provided from technical assistance funds.

FSA will transmit FA funds to States on the CCC-357. FSA State offices will transmit funds to County Offices as directed by the NRCS State Conservationist.

#### **e De-obligation of Prior Years Funds**

EQIP funds are annual funds and can be used for new contracts or new practices in a contract only in the fiscal year they are apportioned. De-obligated prior year funds are not available.

#### **f Allocation Control**

The procedures for automated processing of allocation control ledgers, contract approvals, payments, and de-obligation of funds are contained in FSA Handbook 2-CONSV.

**Note:** The county offices shall take no action to record, increase, or decrease allocations on ledgers until authorization is received from the State FSA office as directed by the NRCS State Conservationist.

## **515.72 CCC Funding Requirements**

---

### **a Obligations Limited to Authorized Funds**

NRCS will ensure that program obligations and payments do not exceed the authorized levels. The NRCS State Conservationist will periodically review the progress of obligations and earnings and adjust county allocations as necessary.

### **b Over- Obligation is Prohibited**

Over-obligation of EQIP funds is prohibited.

### **c Prompt Payment**

Payments are subject to prompt payment provisions contained in FSA Handbook 61-FI. The prompt payment provisions will be effective on the later of:

- The submission of bills and other appropriate documentation by the producer, or
- Certification, by NRCS or a TSP, that the practice is complete.



## Subpart H - Contract Application Acceptance and Evaluation

### 515.80 Applications

---

#### a Continuous Application Acceptance

EQIP applications will be accepted on a continuing basis throughout the year. Cutoff dates will be scheduled to allow for ranking, prioritization, and selection of applications for funding. NRCS, with advice from the State Technical Committee and/or Local Work Groups as appropriate, will rank and select applications received during the continuous signup period up to the advertised cutoff date.

The evaluation cutoff date will be announced by NRCS, with assistance from partners. Program announcements may include the following information:

- EQIP purposes and objectives
- Continuous signup and evaluation cutoff dates
- Conditions under which assistance is available
- Description of program benefits and practices available
- How to apply for program benefits
- Where to apply
- Land and producer eligibility requirements
- Payment information
- Participant responsibilities
- Emphasized Outreach to under-served individuals and groups

#### b Program Availability

The EQIP Program is open to all eligible agricultural producers as outlined in Section 515.61 of this manual.

The official USDA nondiscriminatory statement shall be included on all information and announcements to the public.

## **515.81      Accepting Applications**

---

### **a      Accepting Written or Telephone Requests**

When requests are received by telephone, fax, e-mail, or letter, the receiving agency will manually prepare an application form, date it, and indicate on the form how it was received. NRCS shall inform the applicant to come to the office or otherwise make arrangements to sign and date the application. Signature and date must be received according to paragraph 515.81 (c).

### **b      Filing Applications**

Applicants will complete the CCC-1200 application form and appendix and may submit in person, or by phone, e-mail, internet "eCommerce", fax, or letter, to the local NRCS or conservation district office or local FSA office. Application forms are available in NRCS field offices and conservation district offices, as well as an automated application format on the Internet. Applications received by non-NRCS offices will be forwarded to the NRCS field office upon receipt. Refer to Exhibit 515.141 for an example of an application.

Other agricultural or natural resource agencies may assist with accepting applications.

The application form will also serve as the CCC contract for those applicants approved for financial and technical assistance.

Applicants may request program assistance by submitting an application at any time. Applications taken after the cutoff date will be held in the NRCS field office and processed for the next cutoff date, regardless of whether the next evaluation cutoff date occurs in the current fiscal year or subsequent fiscal year.

eCommerce applications will be submitted in accordance with the instructions found at <http://www.sc.egov.usda.gov>.

### **c      Signature Requirement**

The applicant's signature and date are required on the form CCC-1200 and appendix. The signature may be obtained either at the time application is submitted or subsequently by NRCS or by facsimile. All signatures must be received by the NRCS field office no later than the close of business on the evaluation cutoff date for the application to be processed. Applications not signed by the cutoff date will not be processed until the next cutoff date.

An EQIP application must be signed by the:

- Participant receiving cost-share or the incentive payment and
- Owner of land under contract if either of the following apply:
  - the participant cannot provide evidence that he/she will have control of the land, according to paragraph 515.62 (d) or
  - a structural practice will be implemented

**Note:** A notarized letter of authorization from the landowner may be substituted when circumstances prevent landowner signature on the contract.

When the application is signed under power of attorney the authorizing power of the notarized attorney document, such as the FSA-211 form, will be attached to the application.

#### **d Starting Practices**

Practices started or completed prior to program application are not eligible for cost-share or incentive payments. Applicants who start a practice before the contract is approved by the NRCS causes the applicant to be ineligible for EQIP financial assistance for that practice, unless a waiver is granted. Applicants may request the State Conservationists or designees to grant waivers of this provision, in special cases for meritorious reasons, if the practice has not been started at the time of application.

Meritorious reasons may include:

- To alleviate imminent and significant environmental problems
- To prevent endangerment to life or property
- Weather conditions

The waiver must be granted after the application has been made and before starting the practice for the producer to remain eligible, otherwise the producer is ineligible to receive financial assistance for the practice. This waiver will expire as determined by the State Conservationist but shall not exceed one year.

Applicants, who have been granted a waiver, shall be informed that this does not guarantee contract approval and that they may be ineligible to receive payments if the practice does not meet NRCS standards and specifications.

#### **e Successor-in-Interest to an Application**

If there is a change in the control of land after an application is made by an original applicant, before a contract is approved, the NRCS may process the successor-in-interests application within the evaluation period that the original application would have been processed, provided the successor-in-interest is eligible.

## 515.82 Application Ranking Process

---

### a Purpose

The State Conservationist, with advice of the State Technical Committee, will develop a process, including ranking criteria consistent with national priorities designated by the Secretary, to evaluate and prioritize EQIP applications. This process will be used to select applications, which achieve national priorities and optimize environmental benefits, for contracts to the extent funding is available.

The State Conservationist may also delegate the development of the evaluation process for the selection of applications for contracting to the Designated Conservationist who will seek advice from the Local Work Group.

### b Process examples

Evaluation processes:

- May define an acceptable package of practices for a conservation system that meets quality criteria for various resource concerns
- May define a threshold level for high priority applications that would not require further ranking against other applications. Thresholds will be based on definitive target levels or benchmark conditions defined for that particular natural resource concern
- May use an expanded and/or extended screening process to compile, sort, and prioritize applications
- May use evaluation criteria based on identified resource concerns; with those criteria, develop packages based on treatment levels; applicants choose the package they agree to plan and implement; contracts are offered to applicants who optimize environmental benefits
- May use an offer index developed by calculating the “total environmental points from **ALL** practices to be installed” divided by the “total cost share dollars from **ALL** sources”

### c Ranking Emphasis

When ranking applications, higher priority will be given to applications that:

- Address National priorities (515.13b) in conjunction with State, tribal and local resource concerns
- Optimize environmental benefits. This may be accomplished by
  - Identifying priority resource concerns based on National priorities
  - Developing an evaluation tool that considers the effectiveness of proposed conservation activities. This requires an assessment of “trade-offs” and consideration of multiple resource treatment and benefits
  - **Providing bonus points to applicants willing to participate in cooperative arrangement and install a contiguous grouping of practices, such as a stream buffer.**
  - Limiting eligible practices, limiting cost-shares for eligible practices and/or utilizing a variable cost-share rate to encourage the adoption of preferred cost-effective practices which achieve the desired results

- Providing the public with a clear and concise description of objectives, methodologies and limitations
- use cost effective conservation practices,
- treatment of multiple resource concerns, and
- use of practices that assure a longevity of environmental benefit
- Compliance with Federal, state, tribal or local regulatory requirements concerning soil, water and air quality; wildlife habitat; and ground and surface water conservation
- make beneficial, cost effective changes to cropping systems, grazing management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural land;

When developing ranking criteria, environmental benefits such as, but not limited to, the following may be considered:

- The contract goals are enhanced through leveraging funds from independent non-federal sources other than from the applicant(s)
- The contract is of such scope that significant progress can be expected toward meeting the natural resource goals in a reasonable time frame
- Various environmental benefits to the soil, water air, plant and animal resource as identified in Section 3 of the Field Office Technical Guide which may be achieved

When developing an application ranking process the State Conservationist or designee may also consider:

- An applicant's history of proper maintenance of practices installed with program assistance,
- An applicant's history in completing previous contract, or
- Achieving a higher level of treatment

#### **d      Avoid Bias in the Ranking Process**

When developing the ranking guidelines, avoid criteria that may cause a bias to any individual group or size of operation.

#### **e      Update and Monitor the Ranking Process**

The ranking process should be reviewed periodically to determine that the process is resulting in applications being selected for contracts that best meet the program objectives.

## **515.83 Processing Applications**

---

### **a Forwarding Applications to NRCS Field Office**

The original copy of all CCC-1200 forms received by Conservation Districts or other approved application agencies shall be forwarded to the appropriate NRCS field office upon receipt.

If NRCS receives applications for land areas that are administratively handled by a different FSA county office, a copy of the application will be forwarded to the NRCS office where the land exists. The appropriate NRCS office (where the land exists) will complete the application evaluation. Cost share funds from the state in which the land exists are used to fund approved contracts. Funds may be transferred to the administering county through state coordination.

### **b Initial Handling of Applications**

Upon receipt, the NRCS County office will date stamp each application and determine if all required items are completed. The applicant has the responsibility to assure that their application is complete and accurate. If necessary and to the extent practicable, NRCS will assist the applicant in completing or correcting applications that contain missing or illegible information through the most expedient means available.

### **c Application Ranking and Selection**

The State Conservationist, with advice from the State Technical Committee, allocates funds. The State Conservationist may delegate the selection of applications for contracting to the local Designated Conservationist who will seek advice from the Local Work Group.

When the process is delegated down to Designated Conservationist the Designated Conservationist would, for all applications for county and/or targeted allocations

- Collect all of the information necessary to evaluate the applications
- Complete evaluations of the applications
- Compile and prioritize the applications using the locally developed process
- Select the applications for contracting

Or, for statewide pools a state-developed ranking process will be used. The field office may be directed to forward the completed ranking worksheet to the State Conservationist for application selection.

NRCS will consider the following when selecting an application for contract development:

- Sufficiency of funds
- Payment limitation requirements

In the case of two applications with equal environmental benefits, NRCS will not use least cost to the government as the only criteria for selection. Further criteria of the application might consider potential impacts on other resource concerns not addressed in the application ranking such as distance from a water body, wildlife benefits etc.

#### **d Notification of selection, deferment, or cancellation**

NRCS will notify applicants, in writing, of selection, deferment or cancellation of EQIP applications.

##### Deferred Applications

An application not selected for contract development will be deferred by NRCS. Deferred applications will be retained to be considered for possible selection along with applications received during the subsequent application period unless cancelled by the applicant.

NRCS will notify an applicant with a deferred application of their appeal rights and their choices for possible future consideration, including:

- Consideration of the application “as is”, with no changes
- Consideration of the application with revisions or changes
- Cancellation of the application.

##### Canceled Applications

NRCS may cancel and remove from funding consideration an application due to any of the following:

- The applicant, does not meet “eligible producer” criteria,
- The applicant requests the application to be terminated
- The applicant has a deferred application, and any one of the following occur:
  - No subsequent application period is held in which the application could be considered
  - The applicant requests their application not be considered in a subsequent application period
- An applicant who:
  - Voluntarily terminated a prior year contract,
  - Had a contract terminated due to non-compliance, or
  - Failed to implement all practices, without just cause, of a contract that expired.

NRCS shall ensure the cancellation is properly documented and that appeal rights are afforded to any applicant for whom an application was accepted but a contract was not selected for funding.

## Subpart I - EQIP Plan of Operations

### 515.90 Overview

---

#### a Introduction

An Environmental Quality Incentives Program plan of operations describes the conservation practices to be implemented, the timing of implementation, the practice location, and estimates of cost-shares or incentive payments and the conservation and environmental purposes to be achieved. Documentation of the Plan of Operations may be a CCC-1200, AD-1157, or other similar documentation.

The State Conservationist, with advice from the State Technical Committee, may develop additional requirements to be included in the Environmental Quality Incentives Program plan of operations.

#### b Policy & Technical References

Technical references and policy for guiding development of an EQIP plan of operations include:

- National Planning Procedures Handbook (NPPH) (Handbook 180-600)
- General Manual 180, Part 409.
- Field Office Technical Guide (FOTG and eFOTG)

#### c Compliance with Laws and Regulations

It is the responsibility of the producer to ascertain and comply with any and all applicable program or regulatory requirements. The NRCS development or acceptance of an EQIP plan of operations "will not" be deemed to constitute compliance with program or regulatory requirements administered or enforced by another agency.

Any participant with an EQIP contract that includes an animal waste storage or treatment facility **will** provide for the **development and implementation** of a Comprehensive Nutrient Management Plan.



## 515.91 Eligible Conservation Practices

---

### a Conservation Practices

Eligible conservation practices are:

- Those that provide beneficial, natural resource conservation or environmental enhancement,
- Found in the FOTG, including the development of CNMP's
- Approved for cost-share or incentive payments by the State Conservationist or designee with advice from the State Technical Committee or Local Work Group

### b Ineligible Practices

Ineligible conservation practices are those:

- Whose sole purpose is to enhance production
- That the producer has already adopted except for structural practices that have exceeded the service life and no longer function properly
- That the producer is likely to apply without EQIP financial assistance, such as:
  - Land management practices that are commonly accepted and implemented by the agricultural community, as determined by the Designated Conservationist with advice from the Local Work Group
  - A producer is required to establish a conservation practice as a result of a judicial or court action because the producer would be required to apply the practice regardless of EQIP assistance
  - Repeated violations as determined at the state level

**Note:** If a producer has been accused of violating a law or regulation but may still voluntarily apply a conservation practice to comply with the law or regulation, the practice is eligible for EQIP financial assistance.

- Structural or land management irrigation practices on land that has not been under irrigation for 2 out the past 5 years
- A participant is not eligible to receive EQIP payments for the same practices on the same land which the participant has received cost-share payments or other benefits under the Conservation Reserve Program (CRP), the Wetlands Reserve Program (WRP) or the Environmental Quality Incentives Program (EQIP) or any other USDA program.
- In violation of highly erodible land compliance and wetland Compliance provisions.

**Note:** EQIP may be used to assist producers in enhancing compliance with the HEL and WC provisions on eligible EQIP land, such as to assist a producer to move from an alternative conservation system to a basic conservation system but not to assist a producer to come into compliance.

## **c Technical References**

Technical references for implementing conservation practices are:

- Field Office Technical Guide (FOTG and eFOTG)
- General Manual Title 450, Part 401
- National Handbook of Conservation Practices (NHCP)

## **d Land Management Practices**

Land management practices are those that:

- Primarily require management techniques and methods
- Meet the intent of the program and locally identified natural resource concerns.

Land management practices include, but are not limited to:

- Nutrient management
- Waste Utilization
- Pest management
- Irrigation Water Management
- Prescribed Grazing
- Residue Management
- Stripcropping
- Contour farming
- Wildlife Habitat Management.

## **e Structural Practices**

Structural practices are those that:

- Primarily involve engineering, construction, or installation of a site-specific practice
- May primarily involve the establishment or planting of a site-specific vegetative measure
- Meet the intent of the program and locally identified natural resource concerns.

Structural practices include, but are not limited to:

- Waste Storage Facility
- Terrace
- Grassed Waterways
- Trough or Tank
- Tailwater pits
- Well Decommissioning
- 
- Filter Strips

- Critical Area Planting
- Tree/Shrub Establishment
- Range Planting.

**f New Technology**

The State Conservationist may approve, with advice from the State Technical Committee, new technologies or innovative conservation practices where warranted. Interim conservation practice standards will be developed and practices will be evaluated according to General Manual, Title 450, Part 401.

REVIEW DRAFT 4: 5/23/03

## **515.92 Quality Assurance and Oversight for EQIP Planning and Implementation**

---

### **a Procedure**

Quality assurance will be performed by:

- The State Conservationist and/or Designated Conservationist, as a part of the on-going quality assurance programs where technical assistance is provided

### **b Technical References**

References for quality assurance of conservation planning and application include:

- NPPH and FOTG,
- General Manual, Title 450, Part 407 and FOTG (Section IV), and
- State Quality Assurance Plan.

## **Subpart J - Conservation Practice and Technical Assistance Payments**

### **515.101 Establishing Cost Share and Incentive Payments**

---

#### **a Introduction**

This section contains procedures for determining payments for structural and land management conservation practices.

#### **b Responsibility**

The State Conservationist, with the advice of the State Technical Committee determines the maximum payment rates and levels to be paid for total practice costs and component costs in a State in order to maximize participation and optimize environmental benefits.

The Local Work Group convened by the conservation district may recommend to the Designated Conservationist the cost-share rates and incentive payment levels to be used locally. Final determinations for levels and rates will be made by NRCS at the local or State level, as applicable.

In setting the cost share and incentive payment levels, the State Conservationist or designee should consider the following:

- Management of nutrients, pests, invasive species, water quality and/or air quality.
- Setting cost-share rates and incentive payment levels that reflect the practice's cost-effectiveness. Some conservation practices can be used to treat different resource issues with different levels of effectiveness; therefore, different cost-share rates may be established for a practice when used to treat different resource issues.
- Setting cost-share rates and incentive payment levels that reflect different levels of treatment. The cost-share rates and incentive payment levels may be higher when the practice achieves, for a given land unit, a higher level of treatment than the minimally acceptable level.
- Setting cost-share rates and incentive payment levels that reflect the number of resource concerns a practice will address; e.g. waste treatment facility that reduces ammonia emissions benefiting both air and water quality may have a higher cost-share rate than a waste storage lagoon.
- Setting cost-share rates and incentive payment levels for practices based on the degree of benefit for at-risk species habitat.
- Setting cost-share rates and incentive payments that compare the environmental benefits with the economic return to the producer
- Setting cost-share rates and incentive payment levels on practices in proportion to the longevity of the beneficial environmental effect.
- Setting cost-share rates and incentive payment levels relative to the energy savings demonstrated by the practice.

- Setting cost-share rates and incentive payment levels based on the distribution of identified critical resource issues.
- No incentive payments for land management practices that are currently accepted and practiced in the agricultural community
- Limitations on the total financial assistance payment for a single practice or the extent of the amount of a practice eligible for financial assistance.

### **c Cost-Share Rates**

Cost-share rates for most structural practices will be set at no more than 50 percent cost-share except in the case of Limited Resource Producers and Beginning Farmers which will be established by the State Conservationist or designee.

The maximum direct program share of cost-share payments to a participant "shall not" be more than:

- 75 percent of the total cost of an individual structural conservation practice,
- 90 percent of the total cost of the conservation practices for:
  - new or beginning farmers, or
  - limited resource producers, and
- Not to exceed the maximum personal payment limitations established in paragraph 515.102 (a).

For consistency, when establishing payment levels NRCS offices are encouraged to coordinate between programs and neighboring offices.

The cost-share payments to a participant under the program will be reduced proportionately below the rate established by the State Conservationist or Designated Conservationist, or the cost-share limit as set in paragraph (c) of this section, to the extent that total financial contributions for a structural practice from all public and private sources exceed 100 percent of the actual cost of the practice.

Cost-share rates are the basis for establishing the dollar amount for the contract. Once the contract is signed, the participant(s) is only guaranteed that dollar amount (limited to the contract cost accounting method used – see section 515.101 (f)), NOT the stated percent of cost-share.

Practice cost lists that include any structural practice with greater than 50 percent cost share rate are to be approved by the State Conservationist with concurrence of the Regional Conservationist.

#### **d Incentive Payment Levels**

Incentive payments will be made in an amount and level necessary to encourage a participant to perform land management practice or develop a Comprehensive Nutrient Management Plan that would not otherwise be initiated without assistance. Incentive payments for land management practices will be limited to a maximum of three years.

A producer may receive a one time only incentive payment for the development of a comprehensive nutrient management plan for each separate and distinct livestock operation.

#### **e Payments for Technical Assistance**

NRCS can use a certified Technical Service Provider for assistance in the development and implementation of an EQIP plan of operations. The State Conservationist may utilize EQIP Technical Assistance funds to provide assistance to producers through the TSP process.

- Eligibility - The State Conservationist or designee may determine which functions are eligible to be performed by certified TSP.
- Certification by the Secretary - Only persons that have been certified through TechReg under section 1242(b) of the 1985 Food and Security Act, as amended, shall be eligible to provide technical assistance under this subsection. **NEEDS TO BE UPDATED ACCORDING TO TSP FINAL POLICY AND RULE AS AMENDED**
- Payments: The technical assistance payment shall be in accordance with TSP procedures-
  - TA Payments for the completion of planning, design and/or installation assistance provided by a certified Technical Service Provider for any approved practice under contract is authorized and payable upon the certification of completion of each phase (plan, design, and/or installation)
  - In an amount determined appropriate by the State Conservationist or designee, taking into account-
    - The extent and complexity of the technical assistance provided
    - The costs that the Secretary would have incurred in providing the technical assistance; and
    - The costs incurred by the private provider in providing the technical assistance.
  - Payable to a producer on presentation to NRCS of satisfactory documentation that demonstrates:
    - Completion of the technical assistance; and
    - The actual cost of the technical assistance.
  - Through a contract or cooperative agreement with a private vendor or public entity or through direct payments to a producer for reimbursement of TSP costs incurred.

- Limitations
  - TA payments to a certified TSP for development of a CNMP will be allowed only one time for each separate and distinct livestock operation for the duration of the Farm Bill.
  - Direct payments to a producer for reimbursement of certified technical assistance provider costs will be made only for an application that has been approved for payments.
  - TA Payments to the producer do not apply where NRCS directly provides the technical assistance.

## **f Methods of Payment**

Payment levels and rates will be based on one of the following methods: In accordance with GM 120, Part 404

- The percent of actual cost (not to exceed an average) (AA)  
The actual cost not to exceed average cost method is to be used if--
  - (1) The participant can buy materials and services in quantity at discount prices below the average costs allowed for average size jobs. This applies particularly to unusually large jobs subject to competitive bids, such as those frequently scheduled under joint agreements;
  - (2) It is likely that the cost of materials and services will go down sufficiently to result in windfall payment to the participant; or
  - (3) Used materials are installed as allowed in GM 120 Part 404.58.
- The percent of actual cost with Not-To-Exceed (NTE) a maximum (AM)
  - (1) The actual cost not to exceed a specified maximum method is to be used if—
    - (i) There are insufficient data or it is not feasible to determine reliable average costs for a practice or components;
    - (ii) It is not practical or feasible to determine average cost for a practice because of difficulty in measuring quantities; or
    - (iii) It is determined that a definite limit is to be imposed on a particular practice.
  - (2) All practices and identifiable components that are cost-shared according to specified maximum cost must be supported by documentation of how the costs were determined.
- Average Cost (AC)  
Average cost may be used when adequate cost data can be obtained. Average costs are to be developed for each practice or component of a practice identified in the plan as eligible for financial assistance. Average costs are to apply to a county, watershed, or other defined geographical area within a state and are to be approved by the State Conservationist. Average costs are to be uniform among NRCS programs in a county or other designated area and updated annually, as necessary.
- Flat Rates (FR) This method will be used only for land management practices.  
The flat rate (\$) method is to be used to encourage the adoption of conservation practices where it is difficult to establish the actual cost. Flat rates should attempt to be uniform



among NRCS programs in a county or other designated area and updated annually, as necessary. Flat rates usually are on a dollar-per-unit basis.

#### **g Eligible Costs**

Cost-share payments are limited to the least-cost alternative to achieve the minimum practice standards and specifications needed to address the resource concerns. The least-cost –alternative limitation is only applicable to cost-share payments and does not limit choice of treatment options.

Items eligible to establish levels and rates include the cost of any direct or significant factors necessary to perform the practice, such as:

- New, donated, or used materials (as per GM 120, Part 404.58)
- Services and labor, from the participant or others
- Sales tax.

#### **h Reviewing & Revising Levels and Rates**

The NRCS State Conservationist or Designated Conservationist will periodically review and compare levels and rates to ascertain that they are set at the minimum incentive needed to encourage producer participation to address a resource concern.

During the program year, when there is a substantial change in the average cost to perform a practice or a component for which a flat rate or limitation has been established; the rate or limitation may be revised by NRCS. Changes must be accompanied by an effective date.

## **515.102 Payments and Payment Limitations**

---

### **a Eligibility for Payments**

A producer eligible to receive EQIP contract payments is a person or entity that meets the guidance contained in 1 PL and 7CFR1400 with the following exceptions:

- State and political subdivisions (7CFR1400.107).
- Cash rent tenants (7CFR1400, Subpart E)
- Foreign persons (7CFR1400, Subpart F)

FSA may assist NRCS with producer eligibility determination as agreed to under a national reimbursable agreement.

### **b Maximum Payment Limitation**

The total direct EQIP program payments paid to an individual or entity, directly or indirectly, shall not, in the aggregate, exceed \$450,000 for all contracts entered into by that individual or entity during the period fiscal year 2002 through fiscal year 2007. All program payments will be attributed to an individual. In the case of an entity, payments will be attributed to its members. EQIP payments will be tracked by social security numbers.

When applying for an EQIP contract, any and all entities, including partnerships, will submit a CCC-501A and/or CCC-501B, as appropriate, identifying each member and their respective percent share in the entity, including the members and percent share of any embedded entities.

### **c Controlling Maximum Payment Limitation**

NRCS will:

- Control the maximum personal payment limitation for participants within a county to:
  - Assure the individual and/or entity is eligible in accordance with 7CFR1400 (G) regarding the \$2.5 million adjusted gross income limitation. Eligibility for payments in accordance this Section will be determined at the time of contract approval.
  - Assure no person receives in excess of \$450,000, directly and indirectly, in the aggregate, for any and all EQIP contracts entered into during the period fiscal year 2002 through fiscal year 2007 regardless of the number of contracts the individual or entity enters.
  - Both Tribal governments and tribal members can continue to participate in the program and are subject to the \$450,000 payment limitation.
- Assess other EQIP payments to the participant from other counties and/or states to determine the maximum amount participants can earn.

FSA may assist NRCS with payment limitations as agreed to under a national reimbursable agreement.

**d Exceeding Payment Limitation**

If the payment limitation is exceeded due to an agency error a refund is required for the amount exceeding the payment limitation.

REVIEW DRAFT 4: 5/23/03

## **515.103 Payment Limitation Exceptions**

---

### **a Tribal Venture**

To accommodate the unique situation of tribal, allotted, and Indian trust lands, a tribal venture can receive payments in excess of the limitations to administer EQIP on their lands. In order to assure that no individual exceeds the payment limitations of 515.102(c), the tribal representative for the EQIP contract will provide a list of payments made to individuals by a social security number or individual unique identification number.

### **b Inherited Land**

For EQIP contracts that are inherited in the second or subsequent years of the contract, the \$450,000 person limitation will apply if remaining payments from any contracts on the inherited land cause an heir, who was party to an EQIP contract on other lands prior to the inheritance, to exceed the \$450,000 person limit.

REVIEW DRAFT 4: 5/22/03

## Subpart K - Contracting

### 515.111 Contract Requirements

---

#### a Contract Requirements

The following general contract provisions apply:

General Manual Title 120 Administrative Services, Part 404 will be used for EQIP contracting unless stated otherwise in the EQIP manual.

Form CCC-1200 and Appendix to Form CCC-1200 is the contract document for EQIP. Participants must sign the CCC-1200 and acknowledge receipt of the CCC-1200 Appendix before the contract is approved.

**EQIP contracts may not exceed a total of \$450,000 of financial assistance; cost-share and incentive payments.**

Program participants will not receive program payments without an approved EQIP contract; CCC-1200. EQIP contracts (CCC-1200) are not binding until approved and signed by the State Conservationist or designee. The CCC representative who signs the CCC-1245, authorization for payment, will not be the same individual who approves and signs the EQIP contract and contract modifications, CCC-1200, on behalf of CCC. These contracts specify the responsibilities of the participant and USDA and consequences of violating the contract.

The contract can include financial assistance for application of conservation practices and reimbursement for technical assistance. Management practices that are needed to support the proper operation of a structural practice should be included as operation and maintenance and not as a non-cost-shared practice. Producers with contracts that include a waste storage or treatment facility shall provide for the development and implementation of a comprehensive nutrient management plan and implement all practices identified therein.

The participant must start at least one financially assisted practice within the first 12 months of signing a contract. If a participant, for reasons beyond their control, is unable to start a practice within the first year of the contract, they can request a waiver from the State Conservationist.

Contracts will have a minimum length of one year after the last practice is certified complete and a maximum length not to exceed 10 years.

Note: No practices will be scheduled in the tenth year of an EQIP contract.

Producers agree to maintain conservation practices implemented with EQIP financial assistance for the practice service life, which may exceed the length of the contract. Practices installed under an EQIP contract must be maintained in all situations whether the contract is successfully completed or terminated. In the event that practices are not being adequately maintained in

accordance with the agreement between the participant and CCC, CCC will request reimbursement of all or part of payments made to the participant (See Compliance 515.113(b))

**Note:** Management practices that are needed to support the proper operation and maintenance of a financially assisted structural practice shall be included as operation and maintenance and not as a non-cost-shared practice.

## **b Contract Responsibilities**

NRCS contract responsibilities include the following:

- Obtaining the producer's signature on the CCC-1200 Appendix at time of application,
- Approval of the plan of operations,
- Approval of the contract and any modifications,
- Certification of completed structural practices not certified by a "technical service provider",
- Authorization of payments for cost-share and/or incentive practices (The individuals who authorize payments should not be the same person who signed the contract).
- Ensuring contract approval does not cause over obligation and that sufficient funds are available for authorized payments

As agreed by national reimbursable agreement, the Farm Service Agency, will:

- Accept and complete the CCC-1200 application
- Make "person" determination,
- Monitor funds and fund availability, and
- Make contract payment.

## **c Signature Requirements**

An EQIP contract must be signed by the:

- Participant receiving cost-share or the incentive payment,
- State Conservationist or designee, except that
  - Within 20 calendar days of submission the Regional Conservationist shall approve or disapprove any contract with total contract obligations greater than \$100,000 (can not be delegated), and
  - The signatory for the contract cannot be the same person as the certifying person for payments (CCC-1245).
- Owner of land under contract if either of the following apply:
  - The participant cannot provide evidence that he/she will have control of the land, according to paragraph 515.62 (c) or
  - A structural practice will be installed

**Note:** A letter of authorization from the landowner may be substituted when circumstances prevent landowner signature on the contract.

If two or more participants sign a contract the percent of incentive payments to be received by each participant will be specified in the contract. Cost-share payments will be based on the percentage of contribution to practice costs. Any entity signing a contract will provide a CCC-501B, exhibit 515.145, listing of its members and the percent interest of each member for payment attribution. Any entity that does not provide social security numbers or unique identification number as outlined in Para 515.61b for all its members, including members of embedded entities, will not be eligible to participate in EQIP.

An authorized Tribal or Bureau of Indian Affairs (BIA) representative may sign a contract as mutually agreed with a tribe where NRCS determines there is sufficient assurance of control on tribal land, Indian trust land, or BIA allotted land for the contract period.

The BIA or tribal official must also certify in writing that no one individual or entity will directly or indirectly will receive more than the \$450,000 personal payment limitation and will provide, on an annual basis, the amount each member has received. The BIA or tribal office will provide to NRCS, annually, a list of individuals receiving EQIP funds, by social security number, be provided to NRCS.

#### **d Plan of Operations Requirement**

The EQIP plan of operations is a part of the EQIP contract. The EQIP plan of operations must:

- Be technically acceptable to NRCS
- Be signed by the participant(s).

#### **e Joint Contract Agreements**

A participant may enter an agreement jointly with other participants. Joint participation is permitted when it will result in better land use and treatment than individual participation.

An individual application for the joint agreement will be submitted and signed by all participants.

Whenever participants enter agreements jointly with other participants, the arrangement is to be documented. The agreement is to describe and show on a map or sketch the location of the practice or practices to be installed, specify the benefits each participant is to receive and the distribution of the cost-sharing payments, and define the maintenance responsibilities of each participant.

A contract will be established for each joint practice(s), and signed by all participants.

A copy of the joint agreement is to be included in the contract.

Participants will indicate the proportion of the cost each person will bear.

**Example 1:** Three farms receive water from an irrigation ditch that is to be lined. It might be considered equitable to assess the cost against each participant based on a flat

(EQIP MANUAL - 2002 FARM BILL EDITION)

rate per acre multiplied by the acres on the farm receiving water from the ditch. For a mutual district, the contribution may be based on shares.

**Example 2:** A water-runoff control measure involves only 1,000 units of a practice on farm one and only 200 units on farm two. Only 20 acres are benefited on farm one, but 80 acres are benefited on farm two. It might be equitable to base the division of cost on each participant's benefited acreage.

#### **f Contract Maintenance**

Contracts will be maintained in the appropriate Service Center office as determined by the State Conservationist and State Executive Director. The use of GM120 Part 404.49, contract assembly, is optional at the discretion of the State Conservationist.

The following items will be maintained:

- Conservation Program Contract (CCC-1200) - signed by all parties
- Conservation Program Contract Appendix (CCC-1200 Appendix) - entire document including signature page(s) and other contract addenda
- EQIP plan of operations signed by all parties (could use CCC-1200)
- Status Review(s) (NRCS-LTP-13 or equivalent)
- Practice Approval and Payment Application(s) (CCC-1245)
- All correspondence pertaining to the producer's participation in EQIP
- Joint Agreements as applicable
- Contract assistance notes



## 515.112 Contract Modifications

---

### a General

Contracts need to be modified if there is a change in:

- Participants
- Land under contract
- Conservation practices to be performed
- Costs or extents to implement the conservation practices
- Schedule for applying a conservation practice and extending a contract.

A contract may be modified to reflect a change or revision in the EQIP plan of operations.

If it is discovered, after approval of a contract, component or extent needed for the functioning of the conservation practice was omitted from, underestimated, or incorrectly recorded on the contract, an approved modification of the contract is allowed. A contract which may be eligible for modification shall be considered on a case-by-case basis and based on the original evaluation criteria use to select the application for the contract.

**Note:** Not all contract modifications are eligible for increase obligations; see section 515.112(c)

### b Modification of EQIP Contracts

Minor modifications, such as with costs or extents of conservation practices in the original contract, or for rescheduling installation, may be made with pen and ink on the EQIP plan of operations, and CCC-1200 form or equivalent information. The Designated Conservationist will initial and date the change on the original contract, but signature of the participant(s) is not required.

**Note:** Form CCC-1245 with NRCS technician's signature may also be used to document minor EQIP plan of operations and contract modification needs.

Major modifications require a formal revision to the EQIP plan of operations, and must be signed by the participant(s) and CCC representative. Signature requirements will follow the same requirements as original contract approval. Major modifications of the EQIP contract involve:

- Changes to conservation practices.
- Changes that increase total contract obligation.

## **c Increased Obligations**

Modifications that add funds to a contract can only be approved if funds are available, **the individual or entity remains within the payment limitations**, and the modification is at the same cost-share rate or incentive payment rate as the original practice. Contract modifications that increase obligations are permitted only for cost-overruns (change of practice extent, change of component or practice failure but not for inflation) of practices originally scheduled in the contract. Modifications to existing contracts for the addition of new practices, which require the addition of new funds to the contract, are not permitted.

Due to contract administration costs increased obligations for modifications resulting from cost-overruns (errors and omissions) of less than \$300 will not be considered. State Conservationists have the authority to raise this limit.

Participants shall be informed that increased obligations associated with a contract modification are contingent upon availability of funds and payment limitations.

Increased EQIP contract obligations (costs) resulting from errors (actions) of a technical service provider are the liability of the technical service provider and not CCC.

### Procedure

Increases to contract obligations can only be funded with current year funds. States have the option to set up an annual reserve at the state or local level, to fund increases to contract obligations. All funds in the state reserve must be obligated prior to the end of the fiscal year. Any unobligated state reserve funds will be lost.

Exception: A national reserve is available for FY 1997 and FY1998 contracts until expended.

1. NRCS Designated Conservationist submits request to NRCS State Office for increased obligation
2. NRCS State Office approves or disapproves the request.
3. If approved, the NRCS State Office directs FSA State Office to transfer funds from the State Reserve to the county ledger.
4. FSA State Office notifies FSA County office of the transfer with Form 357
5. FSA County Office notifies NRCS Designated Conservationist upon receipt of the allocation.

## **d Transfer of Control of Land**

EQIP contracts are land based and when change of control of the land occurs, the contracts remain with the land. A contract will be modified or terminated if the participant loses control of all or part of the land under agreement.

### Losing Control of Land

If a participant loses control of all the land under EQIP contract, the contract may be:

- Continued under Successor-in-Interest provision (see Section 515.112e)
- Terminated (see section 515.114)

If a participant loses control of part of the land under contract, the practice(s) must be performed on the land by the successor-in-interest unless any of the following apply:

- Land involved is no longer included in the contract
- Conservation plan is revised and practices need not be performed
- Contract is terminated according to paragraph 515.114.

### Gaining Control of Land

If the land acquired is currently under an EQIP contract, treatment of the land can:

- Be continued under an EQIP contract through successor-in-interest following procedures in paragraph 515.112(e), or
- Not be continued under an EQIP contract through successor-in-interest and terminated according to paragraph 515.114.

### **e Successor-In-Interest**

An eligible producer who acquires control of land under an EQIP contract may:

- not want to continue the contract - terminate the contract according to Section 515.114 or modify the contract if the land is split between multiple operators, or
- want to continue the contract - that person must assume responsibility for all provisions of the contract and take the following action:
  - Develop a new EQIP plan of operations including all practices to be carried out on the transferred land and all practices installed on transferred land which are to be maintained by the transferee for the service life of the practice
  - Revise contract and transfer data from the original contract
  - Identify contract as a successor-in-interest contract
  - Obtain all necessary signatures

A producer who assumes a 2002-2007 EQIP contract through successor-in-interest, for any reason, is subject to the \$450,000 personal payments limitations.

### **f Repairing Damaged Conservation Practices**

If an EQIP practice failed for reasons beyond the producer's control during the life of the contract, the practice may be replaced with EQIP funds provided these payments are at the original cost-share rates and within program payment limitations. EQIP funds may not be used to

restore practices damaged by a natural disaster if the Emergency Conservation Program (ECP) is available. Follow the procedures as outlined in 515.112 (c).

**g Extending a Contract**

The Designated Conservationist may extend an EQIP contract if:

- A conservation practice cannot be completed according to the originally scheduled year for reasons beyond the control of the participant(s)
- Total contract length is limited to 10 years and no practice can be scheduled in the tenth year

If an extension of a contract is approved, the Designated Conservationist will:

- Update the entry for the ending year shown on the CCC-1200 and EQIP plan of operations
- Initial and date the change
- Notify participants involved and provide FSA a copy of the changes in writing and provide them a copy of the CCC-1200

REVIEW DRAFT 4, 5/23/03

## **515.113 Compliance**

---

### **a Procedure**

As a part of on going visits to implement conservation practices a review of the contract will be completed to assure that all provisions are being followed.

### **b Documentation**

The Designated Conservationist will review the contract and document that the provisions of the contract are being followed. If the provisions are being followed, this finding will be documented in the case file and the participant's signature is not required.

If the provisions of the contract are not being followed, the Designated Conservationist will document the finding on form LTP-13 (Exhibit 515.145). The status review will be signed by the Designated Conservationist and the participant. A copy will be provided to the participant and the original will be placed in the EQIP contract folder.

NRCS will work with the producer to resolve issues and document actions and establish a timeframe that the producer can take to comply with the provisions of the EQIP contract. The document will be signed by both NRCS and the participant (NRCS can use the LTP-153 for this purpose). Continued violation can result in contract termination, see Section 515.114.

If an acceptable outcome cannot be reached with a responsible party, the Office of General Council, through appropriate protocols, as determined by the State Conservationist, will be contacted for proper recourse.

### **c Elements to Be Reviewed**

Elements to be reviewed should include the following:

- Success of practices and systems completed
- Operation and maintenance of practices and systems completed
- Status of practices not completed
- Reasons for lack of progress
- Needs for revision of EQIP plan of operations
- Violation of the contract
- Agreement on practices to be implemented next fiscal year
- Land is still under the producer's control.

### **d Administrative Spot-checks**

NRCS will perform administrative spot checks according to the state's quality assurance plan.

## **e      Equitable Relief**

Equitable relief may be provided to any participant that is determined to be not in compliance with the requirements of a covered program, and therefore ineligible for EQIP benefits, if the participant:

- Acted in good faith and relied on the action or advice of the authorized representative of CCC to the detriment of the participant; or
- Made a good faith effort to comply with but failed to comply fully with the requirements EQIP.

Equitable relief may be provided in accordance with the guidance found in the Conservation Programs Manual, Part 509; Equitable Relief from Ineligibility for Conservation Programs

The financial or technical liability for any action by a participant that was taken based on the advice of a NRCS certified non-USDA Technical Service Provider will remain with the certified Technical Service Provider and will not be assumed by NRCS when NRCS authorizes payment.

## **f      Assessing Liquidated Damages**

Liquidated damages may be assessed for a terminated contract if the county FSA committee determines, in consultation with NRCS, that the action is in the public interest and any of the following apply:

- Termination was due to fraud
- The participant voluntarily requests termination
- The participant voluntarily loses control or transfers all or part of the land under contract and there is no successor in interest

**Note:** The NRCS Designated Conservationist will have the option to waive a part or all liquidated damages.

Liquidated damages should not be assessed for a terminated contract if any of the following apply:

- The participant involuntarily loses control of the land under contract
- Termination was warranted because of hardship according to section 515.114.

## **g      Amount of Liquidated Damages**

The amount of liquidated damages to assess will be:

- For contracts where either FA or TA payments have been made - 25 percent of the sum of payments disbursed for practices FA and TA specified on form CCC-1200 that have been performed subject to the contract, as liquidated damages and not as a penalty.
- For contracts where either FA or TA payments have not been made – 10 percent of the total FA and TA obligated on form CCC-1200, as liquidated damages and not as a penalty

## **h Misrepresentation, Scheme, or Device**

A participant who is determined to have knowingly misrepresented any fact affecting a program determination, or adopted any scheme or device that tends to defeat the program purpose or made any fraudulent representation will:

- Not be entitled to contract payments, and
- Will refund all payments received, and
- Have all interest in contracts terminated.

A producer who is determined to have erroneously represented any fact affecting a program determination made in accordance with this part shall not be entitled to contract payments and must refund to NRCS all payments, plus interest determined in accordance with 7 CFR Part 1403.

A producer who is determined to have knowingly:

- Adopted any scheme or device that tends to defeat the purpose of the program;
- Made any fraudulent representation; or
- Misrepresented any fact affecting a program determination, shall refund to NRCS all payments plus interest determined in accordance with 7 CFR Part 1403, received by such producer with respect to all contracts. The producer's interest in all contracts shall be terminated

REVIEW DRAFT

## 515.114 Contract Termination

---

### a Termination

Voluntary Termination - The NRCS Designated Conservationist, in consultation with the Conservation District, may terminate a contract if requested by the producer in writing and the termination is justified.

Justification includes, but is not limited to:

- Natural disasters
- Other documented hardships
- In the public interest

If the participant voluntarily terminates a contract before any contractual payments are made, the participant shall forfeit all rights to any payments under the contract.

Involuntary Termination – The NRCS Designated Conservationist, in consultation with the Conservation District, may terminate a contract at any time if it is determined that:

- The producer is not eligible
- The participant has violated the terms of the contract and has failed to correct and comply within reasonable time (see Section 515.113), or
- Immediately if the participant is determined to have:
  - knowingly misrepresented any fact affecting a program determination, or
  - adopted any scheme or device that tends to defeat the program purpose or
  - made any fraudulent representation

### b Documenting Termination

If the contract is terminated, enter "terminated" and the date on the contract along with documentation of the reasons for termination. The producer shall be informed, in writing, of the termination including the forfeiture of all future payments under the contract, repayment requirements, the reason and appeal right available. FSA will be provided with a copy of the terminated contract and dated decisions regarding request for refund.

### c Refund of EQIP Funds

Total funds previously paid shall be refunded plus liquidated damages unless the NRCS Designated Conservationist determines that any refund owed may be reduced by:

- A proportion which reflects the good faith effort of the participant to comply with the contract or
- A proportion which reflects the hardships beyond the participant's control that has prevented compliance with the contract.

Total funds previously paid plus interest shall be refunded and liquidated damages assessed unless the NRCS Designated Conservationist determines that any refund owed is based on:

(EQIP MANUAL - 2002 FARM BILL EDITION)



- Assurance that failure to perform the remaining practices on the contract will not impair the effectiveness of those performed, and
- Assurance that performed practices will provide conservation or environmental benefits consistent with EQIP goals and objectives and will be operated and maintained by the producer for required service life, and
- Assurance that performed practices will be operated and maintained by the producer for required service life.

If a refund of payment is determined to be required and is not paid by the producer, the producer will be placed on the county debt register.

---

REVIEW DRAFT 4: 5/23/03

## 515.115 Payment Procedures

---

### a General Procedures

EQIP contract payments will be made by the Farm Service Agency, on behalf of NRCS, after receipt of a completed Form CCC-1245 (Practice Approval and Payment Application) and as agreed under national reimbursable agreement. If possible, all program payments will be made by electronic fund transfer (EFT).

### b Authorized Payments

The NRCS Field Office will review all applicable costs for labor, material, equipment used, sales tax, and value of previously used material to determine total eligible cost of the practice.

Any cost borne by other than the eligible participant may be included in computing total eligible costs.

### c Payments not authorized.

Cost-share payments may not be authorized for--

- Unapplied materials or for services that partially complete a component of a practice
- A practice that depends on the performance of another practice that failed to meet specifications and for which cost-share payment was denied. The participant must be informed in writing with a copy to the case file
- Any practice started by a participant before the date of the contract approval unless a waiver was granted
- Use of used materials except as authorized in General Manual, Title 120, Part 404.58
- Any application that would result in duplicate payment; or
- If the EQIP payments will result in total payments exceeding program payment limitations

### Ineligible Costs

THE FOLLOWING ARE NOT ELIGIBLE FOR COST-SHARE OR INCENTIVE PAYMENTS:

- Treatments to control insects, diseases, rodents, and nematode, unless authorized for a particular practice
- Weed control measures, unless authorized for a particular practice
- Mowing pastures, chopping or shredding residues from crops "for insect control", unless authorized for a particular practice
- Costs of supplemental requirements, such as abstaining from harvesting, protection from fire or grazing and similar provisions for which no payment is authorized
- Non-USDA fees such as permit fees
- Loss or reduction in revenue from the land
- Practices installed solely for production purposes

(EQIP MANUAL - 2002 FARM BILL EDITION)

- Engines and motors
 

**Exception:** Permanently installed engines and/or motors that are required as an integral part of a conservation practice and which addresses air quality resource concerns in non-attainment areas may be eligible; as determined by the NRCS Designated Conservationist.
- Pumps and pumping equipment
 

**Exception:** Permanently installed pumps and pumping equipment that are required as an integral part of an animal waste storage system, tail-water recovery system, or as part of a conservation management system that primarily addresses irrigation induced erosion, water quality, or water conservation may be eligible as determined by the NRCS Designated Conservationist.

Portable pumps and pumping equipment for providing stock water may be eligible, as determined by the NRCS Designated Conservationist.
- Electric power hook-ups
 

**Exception:** Electric power hook-ups which address multiple resource concerns and utilize a renewable power source “and” are an integral part of a livestock or wildlife water delivery system where other power sources are impractical or energy conservation measures are in place. No power supply which requires the stringing of poles is authorized.
- Dry wells
- Boundary fences
 

**Exception:** Boundary or property line fences may be eligible, as determined by the NRCS Designated Conservationist, ONLY if:

  - (1) the fence is an integral part of a conservation management system, such as a planned grazing system that facilitates improved management of grazing land, or protects certain areas from livestock when it is necessary for proper use of the area, or
  - (2) the area adjacent to the boundary fence is vital to the success of the conservation management system
- Producer’s transportation costs, unless authorized by a particular practice
- Providing land or the right to use water
- Rent or other costs of using land
- Extents greater than technically needed to meet the minimum practice standards
- Water supplies for human consumption. (Residential use water supplies are not cost shareable)
- Livestock buildings
 

**Exception:** Buildings as determined by the Designated Conservationist to be a necessary component of an animal waste system. Cost sharing will be prorated to that portion of the building solely used for animal waste handling or to achieve the water quality purpose.

**d Payment to a designated participant**

A contract may be supplemented to adjust the payment shares identified on the CCC-1200. The supplement must be signed by all signatories to the original contract. An ACP-246 or the following table may be used as a supplement.

Practice:			
Participant	Original Share (%)	Revised Share (%)	Signature

**e Signing of applications for payment by designated participant.**

A contract may be supplemented to provide for signing the Practice Approval and Payment Application, CCC-1245, by one participant when two or more participants sign the contract. Cost-share payments under a contract so supplemented are to be drawn in the names of all the participants who signed the contract. The following clause must be added as a supplement to the contract to authorize signature by only one participant.

Practice Approval and Payment Application, CCC-1245, will be signed only by

**f Filing of false payment applications.**

Applications for cost-share payments for practices or components not carried out or that do not meet required specifications constitute false applications. Participants filing false or fraudulent applications are subject to a fine of not more than \$10,000 or imprisonment of not more than 5 years, or both.

**g Setoffs, collections and claims.**

FSA will administer setoffs, collections and claims, as agree to in a national reimbursable agreement.

- (a) If a participant to whom compensation is payable is indebted to any Federal agency including the Commodity Credit Corporation and the Federal Crop Insurance Corporation, and such indebtedness is listed on the FSA county register, the compensation due the participant shall be set off against the indebtedness. Indebtedness to any Federal agency will be given first consideration. Setoffs made pursuant to this section shall not deprive the participant of any rights to contest the indebtedness.
- (b) Participants in violation or appealing a violation of Food Security Act compliance provisions will not be issued payments. Payments made inadvertently during the period of an unsuccessful appeal will be collected under procedures in General Manual, Title 120, Part

404.75. Benefits cannot be given until the producer performs required compliance practices and is found to be back in compliance as documented with a compliance status review. Benefits will be denied for the calendar year in which a violation occurs.

- (c) Collection of amounts due under NRCS administered contracts will follow debt collection standards as prescribed by the Federal Debt Collection Act of 1982. Debtors are to be placed on the applicable FSA County Debt Register when the first demand letter for collection is issued. Debtors are to be removed from the list during their appeal.
- (d) Amounts remaining unsettled after 180 days become claims against the debtor. Refer to FSA Manual 1-CM for collection procedures regarding such claims.

Payment may be issued to:

- Participants, joint payees, or assignees
- Creditor U. S. agencies to offset amount due
- IRS for non-resident alien income tax. See Handbook 1-CM.

#### **h When to Prepare Payment**

Payment may be prepared when all of the following have been satisfied:

- Producer certifies implementation of structural or land management practices on CCC-1245 NRCS or technical service provider can certify that completed structural conservation practices meet NRCS technical guidance on CCC-1245
- NRCS, or technical service provider can certify that completed land management conservation practices meet NRCS technical guidance on CCC-1245
- A CCC representative must authorize payment in block 25 for any CCC-1245 completed by NRCS or a technical service provider. This authorization does not assume the technical service provider's liability
- Applicable supporting documentation (bills, invoices, etc.) are submitted to the NRCS office for preparation of the CCC-1245. See Section 515.115(i)
  - The participant is to submit acceptable itemized receipts, invoices, or cost statements to support application for payments if cost-sharing is based on actual costs
  - When average cost and flat rates are used, no receipts or bills are required. (Bills may be requested to calculate average cost)

- FSA, as agreed in NRCS/FSA reimbursable agreement, shall ensure the following:
  - that the producer has filed required AD-1026 Certification of Compliance with the highly erodible land and wetland conservation provisions, and has not been determined to be in violation of those provisions according to FSA handbook 6-CP
  - Producer is eligible to receive payments in accordance with Adjusted Gross Income payment limitation, see 7 CFR 1400, subpart G
- Other pertinent data is received, if applicable

#### **i Support Documents**

Where applicable, obtain evidence to determine whether practice requirements are met and to determine proper payment. This may include:

- Invoices
- Canceled checks
- Receipts
- Analysis tags (seed, fertilizer, other)
- Costs paid by others
- Other similar evidence

For structural and vegetative practices, consider:

- Costs paid by other than the participant
- Discounts
- Whether used materials were used
- Producer's own labor and materials.

The participants will submit a signed, itemized statement which will include:

- Dates of work performed
- Cost per hour charged for labor
- Type of equipment used
- Charge for equipment
- Type and value of materials used, including on-hand or used materials
- Type and value of donated labor or materials
- Other applicable information

**Note:** Certain land management practices may be exempt from support documentation requirements because there may not be standard documentation items for management actions.

## 515.116 Computing Payments, Preparing and Using the CCC-1245

### a Use of CCC-1245

CCC-1245 forms will be completed for conservation practices receiving payments. Follow the procedures below to complete the CCC-1245.

Separate CCC-1245 form will be used for each participant receiving payment according to a prior agreed to joint contract agreement (see 515.111(e)) if different from program payment distribution percentages included on the CCC-1200.

#### CCC-1245 block 13.

Use the following table to complete block CCC-1245 block 13 and to compute the payments if the extent performed is less than the extent approved:

<b>IF the extent performed is less than the extent approved and the rate is a...</b>	<b>THEN . . .</b>
flat rate, average cost, or incentive payment	multiply the rate (column D) times the extent performed (column F). Enter the result in column G.
percent of cost	enter the smaller of the following in column G: <input type="checkbox"/> amount approved in column E <input type="checkbox"/> rate in column D multiplied times the total actual cost <input type="checkbox"/> maximum "not to exceed" unit multiplied times the extent performed.  <b>Example:</b> _____ percent of the actual cost not to exceed \$ _____ per unit (feet, pounds, cubic yards, etc.)

**b Extent Performed Greater Than Extent Approved**

Use the following table to compute the payments if the extent performed is greater than the extent approved:

<b>If the extent performed is greater than the extent approved, and the rate is a...</b>	<b>THEN. . .</b>
flat rate or average cost	enter:  <input type="checkbox"/> in column F the actual extent performed <input type="checkbox"/> in column G, amount originally approved in column E.
Percent of cost	<input type="checkbox"/> circle the cost of performing the practice in column F and enter the pro-rated cost of performing the extent on which payment was approved.  <b>Note:</b> To determine the prorated costs, divide the extent approved (column C) by the extent performed (column F). Multiply the result times the total cost.  <input type="checkbox"/> enter the smaller of the following in column G: <input type="checkbox"/> the uncircled cost multiplied times the applicable percent <input type="checkbox"/> the uncircled units performed by the unit limit, if any <input type="checkbox"/> the amount approved in column E.
Incentive payment	use the incentive payment rate in column D multiplied by the extent performed. If components are not use for incentive payments, there will be no rate in column D.

**Note:** In cases of agency error or omission, column C on the CCC-1245 will be corrected to reflect new extent(s).

**c. CCC-1245**

CCC-1245 forms shall be completed for all conservation practices receiving payment (either cost-share or incentive); payment amounts will be rounded to the nearest dollar.

If an error or omission requires a change or substitution in a conservation practice, the change needs to be noted on the CCC-1245 and the contract modified accordingly.



## 515.117 Partial Payments, Offsets, and Withholdings

---

### a Authority for Partial Payment

Partial payments for completion of part of a conservation practice may be paid if the participant agrees to complete the entire extent of the practice, with or without EQIP assistance, within the time prescribed by the NRCS Designated Conservationist.

### b Making Partial Payments

Make partial payments when all of the following conditions are satisfied:

- An application for payment is made on the CCC-1245,
- NRCS determines that the completed practice extent is a reasonable attainment toward completing the practice,
- Completed extent is clearly identified on the CCC-1245,
- The purpose is not to evade the maximum payment limitation, and
- The participant agrees to complete the practice on form CCC-1245.

### c Recovering Partial Payments If Remaining Work Not Completed

If the practice is not completed within the time prescribed, the participant must refund the partial payment made unless prevented from completing the practice for reasons beyond the participant's control.

Acceptable reasons for not completing practices may include, but are not limited to, the following:

- Natural disaster
- Involuntary loss of control of the farm
- Death of the participant.

**Note:** NRCS will determine if a revised conservation plan is needed.

#### **d Offsets From Debts**

Enter debts due to the United States on CCC-1245 from the claim control record according to the following table.

<b>IF...</b>	<b>THEN...</b>
a person has more than one debt	identify each debt separately.
a person has more than one debt under the same classification	enter the oldest debt first.
interest is chargeable	compute and show separately.
a debt by a person other than the participant is to be offset from the participant's payment	attach a participant's statement to CCC-1245. The participant's statement shall: <ul style="list-style-type: none"><li>• request that the participant's payment be applied to the other person's debt</li><li>• be signed and dated by the participant</li><li>• be filed with CCC-1245.</li></ul>
a debt is owed by a partnership or joint payees	offset the debt from any payment otherwise due anyone of the partners or payees as an individual.

**Note:** Claims are subject to a late payment interest charge according to 58-FI.

#### **e Recording Debts**

Record debts owed by partnership member or joint payee.

- Deduct member's share from the payment otherwise due the member's partnership
- The amount deducted:
  - Depends on the member's interest in the payment
  - Is determined by a signed statement from the partnership's members
  - Shall be applied toward liquidating the debt.

Pay any balance due the partnership or joint payee and notify the persons involved of the actions taken.

## **f Debt Identification on Forms**

Enter data on CCC-1245 to clearly identify the nature of the debt and the entity to which it is owed according to this table.

If debt is due...	THEN enter the following on CCC-1245 or ACP-246:
FSA or FSA Farm Credit Programs	<ul style="list-style-type: none"><li>• FSA program or Farm Credit Program</li><li>• FY in which debt occurred</li><li>• If incurred in another county, the State and County code</li><li>• Debtor's name and county office for Farm Credit Program</li><li>• County office supervisor for Farm Credit Program</li><li>• Local Farm Credit address and debtor's account number</li></ul>
CCC	<ul style="list-style-type: none"><li>• CCC program</li><li>• Debtor's name</li><li>• Account number</li></ul>
Risk Management Agency	<ul style="list-style-type: none"><li>• Risk Management Agency</li><li>• Insurance year</li><li>• Commodity symbol</li><li>• Contract number</li><li>• If the debt originated in another county, the State and county code</li><li>• "Transferee" or "consignee" if applicant is either of these with respect to the debt.</li></ul>
Other U. S. Departments, agencies, corporations, or entity	<ul style="list-style-type: none"><li>• Name or title of the U. S. entity</li><li>• Entity's receiving address</li><li>• Debtor's account number.</li></ul>

## **g Non-resident Alien Income Tax**

Deduct income tax from payments due non-resident aliens. Withholding this tax has priority over refunds or assignments. If the tax is to be withheld according to 1-CM, take the following action:

STEP	ACTION
1	Enter "nonresident alien income tax 30 percent" on the appropriate form line.
2	Multiply the total payment from CCC-1245, column H, times 30 percent.
3	Enter the result of step 2 on CCC-1245, "Debt Assignment" field and ACP-246.

## **h Tax Less or More Than Net Payment Due**

Use the following table when the non-resident alien income tax is less or more than the net payment due.

If the tax is...	THEN take the following action...	
less than the net payment due the producer	<b>Step</b>	<b>Action</b>
	1	Circle the net payment.
	2	Enter the balance after subtracting the tax.
	3	Withhold the tax.
more than the net payment due the producer	<b>Step</b>	<b>Action</b>
	1	Cross out the net payment and enter zero.
	2	Withhold the amount crossed out. <b>Note:</b> Footnote the entry on CCC-1245.
	3	Enter the tax deficit on CCC-1245 in the lower margin. <b>Note:</b> Withhold the deficit from other applications for the producer only if readily available. If the deficit is not withheld, cross out the footnoted entry but do not enter on ASCS-604.

## **i Priority of Payments**

Use FSA handbooks 1 –FI, 58-FI, and 63-FI

## **j IRS Forms**

FSA will prepare and distribute according to 62-FI.

## Subpart L – Conservation Innovation Grants

### 515.121 Overview

---

funding from EQIP. The Secretary of Agriculture is authorized to use up to \$100 million of EQIP funds each fiscal year to award grants to governmental or non-governmental organizations that leverage Federal funds to implement innovative approaches to conservation. The Secretary delegated the authority for EQIP to the Chief of the Natural Resources Conservation Service (NRCS), who is a vice president of the Commodity Credit Corporation (CCC).

#### c Funding

Up to \$100 million of EQIP funds will be made available each fiscal year to award grants to governmental or non-governmental organizations that leverage Federal funds to implement innovative approaches to conservation.

REVIEW DRAFT 4: 5/22/03

## **Subpart M - Program Evaluation and Assessment**

### **515.131 Evaluation and Assessment Process**

---

#### **a National Assessment**

The Deputy Chief for Programs will:

- Establish national performance indicators
- Compile baseline data from states
- Compile program accomplishments
- Compile national-level information on amount of program funds targeted and expended on livestock-related natural resource concerns
- Report to Congress.

National program assessments will be done by aggregating assessments, data, and information from other levels in order to provide a national summary of overall program performance.

#### **b Periodic Evaluation**

Evaluations at all levels will be performed on an annual basis, except in cases where evaluation is presumed to be more critical such as at the end of the program.

#### **c Civil Rights Assessment**

At all levels, program managers will compile information concerning the outreach to and participation of producers, by race, sex, and national origin. This information will be used to assess whether satisfactory efforts have been made to ensure that limited resource producers, minorities, and others who may not have historically participated in previous conservation programs are being equitably served in EQIP.

## **515.132 Program Evaluations and Assessment Report**

---

### **a Assessment Report**

At each level where the evaluation and assessment is performed, the designated evaluator will report on the findings for the evaluation period. Information from reports will be aggregated and used as one of the tools in evaluating program effectiveness.

REVIEW DRAFT 4: 5/23/03

## Subpart N- Exhibits

<u>Section</u>	<u>Description</u>
515.141	CCC-1200, Conservation Program Contract
515.142	CCC-1245, Practice Approval and Payment Application
515.143	ACP-246, Payment Summary Sheet
515.144	FSA-211, Power of Attorney
515.145	CCC-501B, Designation of “Permitted Entities”
515.146	NRCS-LTP-13, Status Review
515.147	NRCS/FSA Roles and Responsibilities
515.148	Conservation Practice Life Spans
515.149	Sample Letters
515.150	Glossary of Terms
515.151	Glossary of Abbreviations

REVIEW DRAFT 4: 5/23/03



(this page is blank)

REVIEW DRAFT 4: 5/23/03

# 515.141 CCC-1200 Conservation Program Contract

<b>CCC-1200</b> (05/22/03) Form Approved OMB NO.  OMB NO. 0578-XXXX	U.S. DEPARTMENT OF AGRICULTURE COMMODITY CREDIT CORPORATION		1. State & County Code 2. a. Farm Number b. Tract Number(s) 3. Contract Number 4. Fund Code 5. HUA Number	
<b>CONSERVATION PROGRAM APPLICATION/CONTRACT</b>				
THIS is an APPLICATION to participate in the:				
7. PROGRAM (Check One)	a. Agricultural Management Assistance Program (AMA)		b. Conservation Security Program (CSP)	c. Environmental Quality Incentives Program (EQIP)
On the farm identified above the Applicant agrees to participate in the identified program if the offer is accepted by Commodity Credit Corporation (CCC). The undersigned person shall hereafter be referred to as "the Applicant." The Applicant understands that starting a practice prior to CCC approval causes the practice to be ineligible for program financial assistance and the applicant will obtain the landowners signature on the contract to install structural practices. BY SIGNING THIS APPLICATION, THE APPLICANT ACKNOWLEDGES, RECEIPT OF THE FOLLOWING FORMS: CCC-1200, THE CCC-1200 APPENDIX AND ANY ADDENDA THERETO.				
SIGNATURE OF APPLICANT _____ DATE _____				
7a. Limited Resource Producer and Beginning Farmer Certification				
I _____ Samuel Champlain _____ certify that I am a: <input type="checkbox"/> <b>LIMITED RESOURCE PRODUCER;</b> <input checked="" type="checkbox"/> <b>BEGINNING FARMER/RANCHER</b> as per the following guidelines:				
<b>Limited Resource Producer:</b> A Limited Resource Farmer/Producer has the following characteristics:  (a) A person with direct or indirect gross farm sales not more than \$100,000 in each on the previous two years (to be increased starting in FY 2004 to adjust for inflation using Prices Paid By Farmers Index as compiled by NASS), and (b) Has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income (to be determined annually using Commerce Department Data), in each of the previous two years.		<b>Beginning Farmer/Rancher:</b> (a) Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of an entity, and (b) Will materially and substantially participate in the operation of the farm or ranch. (i) In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the county or State where the farm is located. (ii) In the case of a contract made with an entity, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that the members provide some amount of the management, or labor and management necessary for day-to-day activities, such that if the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.		
<u>NOTE: All applicants that certify eligibility as a Limited Resource Producer or Beginner Farmer or Rancher will provide all records necessary to justify their claim as requested by a CCC representative.</u>				
Signature _____				Date _____

## 8. Contract Language

THIS CONTRACT is entered into between the Commodity Credit Corporation (referred to as "CCC") and the undersigned owners, operators, or tenants (referred to as "Owner", "Operator", & "Tenant"; respectively) on the farm identified above. The undersigned person or persons shall hereafter be referred to as "the Participant". The Participant agrees to participate in the program designated in Section 7 from the date the Contract is executed by CCC to the contract expiration date in Section 9. The Participant also agrees to implement the plan of operations developed and approved by the Participant and CCC. Additionally, the Participant and CCC agree to comply with the terms and conditions contained in this Contract, including the appendix to this Contract, entitled "Appendix to Form CCC-1200" for the applicable program (referred to as "Appendix"), and any addendum thereto. The Participant also agrees to pay such applicable liquidated damages in an amount specified in the Appendix for the applicable program if the Participant withdraws prior to CCC acceptance or rejection.

*Continued on next page*

**515.141 CCC-1200 Conservation Program Contract** (continued)

<b>CCC-1200</b> (05/22/03) Form Approved OMB NO.  OMB NO. 0578-XXXX	U.S. DEPARTMENT OF AGRICULTURE COMMODITY CREDIT CORPORATION	1. State & County Code 2. a. Farm Number b. Tract Number(s) 3. Contract Number 4. Fund Code 5. HUA Number	
<b>CONSERVATION PROGRAM APPLICATION/CONTRACT</b>			

Applicant:				County:			TOTAL TREATED ACRES: _____ State: _____					
ITEM NO.	FIELD	PLANNED CONSERVATION TREATMENT	Life-span	PLANNED AMOUNT (units)	COST/UNIT Incentive Payment	COST SHARE (%)	YEAR SCHEDULED					
							2003	2004	2005	2006	2007	2008

SUMMARY	PROGRAM	CONTRACT NO.	TOTAL	2003	2004	2005	2006	2007	2008
Total Obligations by Fiscal Year (FA):	EQIP								
Total Obligations by Fiscal Year (TA):	EQIP								
Total Contract Obligations:	EQIP								

Contract Expiration Date: \_\_\_\_\_

Contract expires one year after the last practice is installed, not to exceed ten years.

NRCS APPROVAL:	DATE
----------------	------

10. CONTRACT PARTICIPANTS <sup>1</sup>					
NAME, ADDRESS, and PHONE NUMEBR	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE:	DATE:
NAME, ADDRESS, and PHONE NUMEBR	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE:	DATE:
NAME, ADDRESS, and PHONE NUMEBR	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE:	DATE:
11. CCC USE ONLY - Payments according to the shares approved.				SIGNATURE OF CCC REPRESENTATIVE DATE:	

<sup>1</sup>/ Joint operation ID, if applicable.

(EQIP MANUAL - 2002 FARM BILL EDITION)

**515.141 CCC-1200 Conservation Program Contract** (continued)*Continued on next page*

<b>CCC-1200</b> (05/22/03) Form Approved OMB NO.  OMB NO. 0578-XXXX	<b>U.S. DEPARTMENT OF AGRICULTURE COMMODITY CREDIT CORPORATION</b>	1. State & County Code 2. a. Farm Number b. Tract Number(s) 3. Contract Number 4. Fund Code 5. HUA Number	
<b>CONSERVATION PROGRAM APPLICATION/CONTRACT</b>			

3b. TRACT NUMBER(S), Continued

**CONTRACT MODIFICATIONS (+/-)**

AMOUNT	CCC* INITIAL	DATE	AMOUNT	CCC* INITIAL	DATE
A.			M.		
B.			O.		
C.			P.		
D.			P.		
E.			Q.		
F.			R.		
G.			S.		
H>			T.		
I.			U.		
J.			V.		
K.			W.		
L.			X.		

**PRIVACY ACT AND PUBLIC BURDEN STATEMENT**

NOTE: The following statement is made in accordance with the Privacy Act of 1974, (5 U.S.C. 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR 1466 (EQIP), 7 CFR 1469 (FPP), 7 CFR 636 (WHIP), and Public Law 106-224, Section 133(b), AMA, and Section 211(b), SWCA. The information will be used to allow a farmer, rancher, or landowner to apply for conservation benefits under the terms and conditions of the contract. Furnishing the required information is necessary to determine properly the eligible land for the applicable program benefits. Failure to furnish the requested information will result in the applicant being unable to apply for or receive benefits under the applicable programs. This information may be provided to other agencies, IRS, Department of Justice, or other State or Federal Law Enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 U.S.C. 286, 287, 371, 641, 651, 1001; 15 U.S.C. 714m; and 31 U.S.C. 3729 may also be applicable to the information provided. According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collections is 0578-XXXX. The time required to complete this information collection is estimated to average 35/0.538 minutes/hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection information.

**USDA NONDISCRIMINATION STATEMENT**

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer."

*Continued on next page*

(EQIP MANUAL - 2002 FARM BILL EDITION)

# 515.141 CCC-1200 Conservation Program Contract (continued)

<b>CCC-1200</b> (05/22/03) Form Approved OMB NO.  OMB NO. 0578-XXXX	U.S. DEPARTMENT OF AGRICULTURE COMMODITY CREDIT CORPORATION	1. State & County Code 2. a. Farm Number b. Tract Number(s) 3. Contract Number 4. Fund Code 5. HUA Number	
<b>CONSERVATION PROGRAM APPLICATION/CONTRACT</b>			

## 10. CONTRACT PARTICIPANTS, Continued

NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____
NAME, ADDRESS, and PHONE NUMBER	OW	OP	PAYMENT SHARES (%)	ID NUMBER: 1/ SIGNATURE: _____ DATE: _____

1/ Joint Operation ID, if applicable.

(EQIP MANUAL - 2002 FARM BILL EDITION)

<b>CCC-1200</b> (05/22/03) Form Approved OMB NO.  OMB NO. 0578-XXXX	<b>U.S. DEPARTMENT OF AGRICULTURE</b> <b>COMMODITY CREDIT CORPORATION</b>	1. State & County Code 2. a. Farm Number b. Tract Number(s) 3. Contract Number 4. Fund Code 5. HUA Number	
<b>CONSERVATION PROGRAM APPLICATION/CONTRACT</b>			

[illegible]

REPRODUCE LOCALLY. Include form number and date on all reproductions.

**CCC-1200 (Appendix)**

(5-22-2003)

See CCC-1200 for Privacy Act

U. S. DEPARTMENT OF AGRICULTURE  
Commodity Credit Corporation

**APPENDIX TO FORM CCC-1200  
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM CONTRACT**

**1 ELIGIBILITY REQUIREMENTS FOR ENVIRONMENTAL QUALITY INCENTIVES PROGRAM (EQIP)**

- A** By signing the EQIP contract, the participant certifies that such participant will control the land subject to the contract for the contract period and shall, upon demand, provide evidence to CCC demonstrating that such participant will control the land for that period.
- B** A participant shall not be eligible for cost-share or incentive payments on practices on eligible land if the participant receives or has received cost-share payments or other benefits for the same practice on the land under the Conservation Reserve Program (7 CFR Parts 704 or 1410), Wetlands Reserve Program (7 CFR Parts 703, 620, or 1467) or Environmental Quality Incentives Program (7 CFR 1466).
- C** Land otherwise eligible for the EQIP shall not be eligible if the land is subject to a deed or other restriction prohibiting the application of the conservation plan and associated practices or where a benefit has or will be obtained from a Federal agency in return for the participant's agreement not to implement the conservation plan and associated practices on the land during the same time as the land would be enrolled in the EQIP. By applying for the EQIP contract, the participant certifies as a condition for payment that no such restrictions apply to such land.

**2 SELECTING OFFERS FROM PRODUCERS**

- A** All applications will be evaluated using a selection process developed locally by the State Conservationist or Designated Conservationist, with advice from the State Technical Committee or Local Work Group.

**3 AGREEMENT**

- A** The participant agrees:
  - (1) That the CCC-1200 (EQIP contract) and its addenda shall be considered a request to enter into the Environmental Quality Incentives Program on the terms specified on CCC-1200 and its addenda;

(EQIP MANUAL - 2002 FARM BILL EDITION)

- (2) To place eligible land into the EQIP for a period of time as specified on the CCC-1200 (not less than one year after the last practice is installed and not to exceed 10 years), from the date the contract is executed by CCC;
- (3) Not to start any financially assisted practice before the contract is executed by CCC. The participant may be granted a waiver to this requirement by the NRCS State Conservationist or designee;
- (4) To apply or commence a financially assisted practice within the first 12 months from the date of the contract executed by NRCS. The participant may request a waiver to this requirement from the NRCS State Conservationist.
- (5) To establish conservation practices specified in this contract as scheduled and to maintain for the practice service life identified and to comply with the terms and conditions of the EQIP contract and all Federal, State, Tribal and local laws that apply to the plan content;;
- (6) Not to undertake any action on land under the participant's control which tends to defeat the purposes of this contract, as determined by CCC;
- (7) To discontinue work in the general area of the site and notify NRCS immediately if during the construction of any practice a previously unidentified archeological or historical site is encountered;
- (8) To provide receipts, as necessary, as proof of payments and to maintain proof of payment documentation, if applicable, for 3 years after the end of the fiscal year in which the practice was completed and to present this documentation to CCC within 30 days if selected for administrative compliance check; and
- (9) To apply or commence a financially assisted practice within the first 12 months from the date of the contract executed by CCC; and
- (10) For contracts that include a waste storage or treatment facility, to develop and implement all practices identified in a comprehensive nutrient management plan, or
- (11) For contracts funded under section 1240I, Surface and Ground Water Conservation, to implement a program of conservation measures that will result in a net savings, as defined by the State Conservationist, of ground and surface water resources in the agricultural operation of the producer.
- (12)
- (13) To allow access onto land under contract to a CCC representative for monitoring progress of the contract.

**B** CCC agrees, subject to the availability of funds, to:

(EQIP MANUAL - 2002 FARM BILL EDITION)



- (1) Share the cost with participants of establishing an eligible practice, or an identified unit thereof, agreed to in the contract;
- (2) Pay to the participant an interest penalty on cost-share and incentive payments not made by the date, as determined by CCC, the payment is due.

#### **4 ENVIRONMENTAL QUALITY INCENTIVE PLAN OF OPERATIONS**

- A** By signing the EQIP contract, the participant agrees to implement the practices specified in said contract on the land specified.

#### **5 PAYMENTS**

- A** Subject to the availability of funds, cost-share and incentive payments and reimbursement for technical assistance, as approved by CCC, shall be made available upon a determination by CCC that an eligible practice, or an identifiable unit thereof, has been established in compliance with the EQIP plan of operations and with appropriate standards and specifications. In order to receive payments, as approved by CCC, the participant, upon certification of the completed practice, must file form CCC-1245 along with receipts, as necessary, with CCC.
- B** CCC will make cost-share and incentive payments, as approved by CCC, available to the participant at the rate specified in the EQIP contract.
- C** All payments received as part of an EQIP contract are reported to the US Internal Revenue Service on form 1099-G. For information related to tax liabilities consult with a tax accountant or refer to IRS publication 225, Farmers Tax Guide.
- D** In order to be reimbursed for technical services approved under this agreement and performed by a certified Technical Service Provider ("TSP") hired by the participant, a participant must execute a request for payment in the form of an Application for Payment form, AD-1161. The participant must also submit to NRCS an invoice from the TSP for the work performed as well as any documentation NRCS may require in order to ensure that the technical services were carried out in accordance with NRCS requirements and specifications. If NRCS authorizes payment for a practice certified by non-USDA personnel, the TSP must indemnify and hold NRCS and the program participant harmless for any costs, damages, claims, liabilities and judgments arising from past, present and future negligent acts or omissions of the technical service provider in connection with the technical service provided.

#### **6 PROVISIONS RELATING TO TENANTS AND LANDLORDS**

Notwithstanding Paragraph 13, no payment will be approved for the current year if CCC determines that any of the following conditions exist:

- A** The landlord or operator has not given the tenants that have an interest in the unit of concern covered by the conservation plan, or that have a lease that runs through the CCC-1200 period at the time of sign up, an opportunity to participate in the benefits of the program;
- B** The landlord or operator has adopted any other scheme or device for the purpose of depriving any tenant of any benefits to which such tenant would otherwise be entitled. If any such conditions occur or are discovered after payments have been made, all or any part of the payments, as determined by CCC, must be refunded with interest and no further payments shall be made.

**7 ERRONEOUS REPRESENTATION AND SCHEME AND DEVICE**

- A** A participant who is determined to have erroneously represented any fact affecting a determination with respect to this contract and the regulations applicable to this contract, adopted any scheme or device which tends to defeat the purposes of this contract, or made any fraudulent representation with respect to this contract, will not be entitled to payments or any other benefits made in accordance with this contract and the participant must refund to CCC all payments received by such participant, plus interest and liquidated damages thereon, with respect to the contract.
- B** Refunds determined to be due and owed to CCC in accordance with this contract will bear interest at the rate which CCC is required to pay for its borrowing from the United States Treasury on the date of the disbursement by CCC of the moneys to be refunded. Interest will accrue from the date of such disbursement by CCC.
- C** The provisions of paragraph 7A of this Appendix shall be applicable in addition to any liability under criminal and civil fraud statutes, including 18 U.S.C. 268, 287, 371, 641, 1001; 15 U.S.C. 714m; and 31 U.S.C. 3729, or any other liability to which the participant may be subject.

**8 NOTIFICATION OF CHANGES TO TERMS AND CONDITIONS OF THE CONTRACT**

CCC agrees that if any changes of any terms and conditions of this contract, including changes necessary to reconcile the technical practices listed on the CCC-1200 to those specified in the conservation plan, become necessary prior to the date that this contract is approved on behalf of CCC, CCC will notify the persons signing the CCC-1200 of such change and such person will be given 10 days from the date of notification in which to agree to the revised terms and conditions or to withdraw from the contract request. The participant agrees to notify the CCC of an intention to withdraw from the contract request within 10 days from the date of the issuance of such notice and further agrees that failure to notify the CCC will constitute agreement to the revised terms and conditions.

**9 LIQUIDATED DAMAGES**

It is mutually agreed that in the event the approved EQIP contract is breached by the participant or terminated by USDA, the CCC will suffer substantial damages which may not be possible to quantify with certainty. Therefore, in addition to the refund of payments received plus interest due, for breach or termination of contract prescribed in this contract, the participant agrees to pay an amount equal to the

(EQIP MANUAL - 2002 FARM BILL EDITION)

product obtained by multiplying: (1) 25 percent by, (2) the sum of payments disbursed for practices specified on form CCC-1245 that have been performed subject to the contract, as liquidated damages and not as a penalty. If the contract is terminated without just cause and no payments have been made, the participant agrees to pay an amount equal to ten percent of the total financial and technical assistance contract amount, as liquidated damages and not as a penalty.

## **10 CORRECTIONS**

CCC reserves the right to correct all errors in entering data or the results of computations in the contract.

## **11 TERMINATION OF CONTRACT**

If a participant fails to carry out the terms and conditions of this contract, CCC can terminate this contract or determine that such failure does not warrant termination. In either case, CCC may require the participant(s) to refund, with interest, payments received under this contract, or require the participant(s) to accept such adjustments in the subsequent payments as are determined to be appropriate by CCC.

The CCC may, without incurring liability for breach of the contract, terminate the EQIP contract, in whole or in part, if CCC determines that continued operation of the contract will result in the violation of a Federal statute or regulation, or if CCC determines that termination would be in the public interest. The EQIP contract shall be carried out in accordance with all Federal statutes and regulations, included but not limited to the National Environmental Policy Act, the Endangered Species Act, National Historic Preservation Act, Title VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987, other nondiscrimination statutes, and the regulations of the Secretary of Agriculture found at 7 CFR Part 15, Subparts A & B.

## **12 CONTRACT MODIFICATIONS**

CCC may modify this contract when:

### **A**

- (1) The installed practice would cause adverse impacts to significant cultural and environmental resources identified in the conservation plan, or those discovered as a result of installation;
- (2) The installed measure has deteriorated because of conditions beyond the control of the participants; or
- (3) Another practice will achieve at least the same level of environmental benefits.

**B** Both the participant and the appropriate approving authority (Regional Conservationist, State Conservationist or Designated Conservationist) agree to this modification.

## **12 EFFECTIVE DATE AND CHANGES TO CONTRACT**

(EQIP MANUAL - 2002 FARM BILL EDITION)

The EQIP contract is effective when signed by the participants and an authorized representative of CCC. Except as otherwise determined by CCC, the contract may not be revoked or revised unless by mutual agreement between the parties. Within the dates established by CCC, the contract must be signed by all required participants.

In the event that a statute is enacted during the period of this contract which would materially change the terms and conditions of this contract, the CCC may require the participants to elect between acceptance of modifications in this contract consistent with the provisions of such statute or termination of this contract.

### **13 REGULATIONS TO PREVAIL**

- A** The regulations in 7 CFR Part 1466 for the EQIP are incorporated herein. In the event of a conflict between these regulations and the terms of this Appendix, the provisions of the regulations will prevail.
- B** The EQIP contract shall be carried out in accordance with all Federal statutes and regulations, included but not limited to the National Environmental Policy Act, the Endangered Species Act, National Historic Preservation Act, Title VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987, other nondiscrimination statutes, and the regulations of the Secretary of Agriculture found at 7 CFR Part 15, Subparts A & B. The CCC may, without incurring liability for breach of the contract, terminate the EQIP contract, in whole or in part, if CCC determines that continued operation of the contract will result in the violation of a Federal statute or regulation, or if CCC determines that termination would be in the public interest.
- C** By signing the EQIP contract, the participant certifies that he/she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while conducting any activity associated with the EQIP contract. This certification is a material representation of fact upon which reliance was placed when CCC determined to award this EQIP contract. If it is later determined that the participant knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.; 7 CFR part 3017, Subpart F, Section 3017.600) CCC, in addition to any other remedies available to the United States, may take action authorized under the Drug-Free Workplace Act.

The following owners, operators, and producers by entering their signature acknowledge receipt of this Appendix to CCC-1200 and agree to the terms and conditions thereof. Further if the undersigned are succeeding to an existing EQIP contract, the undersigned agree and certify that no agreement exists or will be entered into between the undersigned, the previous owner and operator of the property, or mortgage holder that would, maintain or create an interest in the property in any previous participant on the EQIP contract for that property, or to receive payments under the contracts.

[illegible]

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Jamie Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

# 515.142 CCC-1245 Practice Approval and Payment Application

CCC-1245		U.S. DEPARTMENT OF AGRICULTURE  COMMODITY CREDIT CORPORATION  PRACTICE APPROVAL AND PAYMENT APPLICATION				Form Approved (03/06/01) & (xx/xx/xx)  1. State and County Code:		OMB NO. 0560-0174 OMB NO. 0578-XXXX  2. Contract Number	
3. Farm and Tract Number(s)			4. Name, Address, and Telephone Number				5. Practice Scheduled Date:		
6. Program Code		7. Fund Code		8. Fund Code Year		9. Livestock (A,B,D,H,N,O,P,S)		10. Resource Concern Addressed:	
								11. ID Number	
You are approved to perform the practice(s) shown below for the farm and contract identified above. If you decide not to perform this practice, or if you cannot complete it by the expiration date, please notify the Commodity Credit Corporation.									
12. Practice(s) Location:									
13. A Number	B Practice Title	C Extent Approved (units)		D Rate	E Cost-Share/ Incentive Approved		F Extent Certified for payment	G Cost-Share Incentive Earned	H Partial Completion*
14. Actual Cost & Performance				Date		15. Performance Report :			
a. Total Install. Cost		b. Date Performed							
This practice has been performed to the extent shown in ITEM 13F and meets program requirements. If the practice does not meet practice specifications or if additional work is required, explain in ITEM 15. <b>NOTE: NRCS Signature not needed for a practice certified by certified technical service provider.</b>						16. Technician's Signature			
						Date:			
17. INSTRUCTIONS TO PARTICIPANT: To receive payment or credit for any cost-share or incentive earned on this practice, report performance in Col. F of 13 and complete ITEMS 18 & 19 below; date and sign the certification below, and file with the issuing office by the date noted in BLOCK 10.									
18. Did you bear all the expense (except for program cost-sharing) for performing this practice? (If no, report name(s) and address(es) of other person(s) or agency that bore any part of the expenses. Also show kind, extent, and value of their contribution.)  YES / _ / NO / _ /					20. Total Cost-Share/Incentive Earned: _____ 21. Payment Advance (Partial Payment): _____ 22. Offset: _____ 23. Claim/Receivable: _____ 24. Net Payment: _____				
19. During the current fiscal year Oct. 1 - Sept. 30, have you received or will you receive a cost-share/incentive payment under the same program on this or any other farm other than through this CCC-1245? (If yes, report State, County, and amount by farm).  YES / _ / NO / _ /					25. Payment Approved (Initials)  26. Check/Direct Deposit Number				
* PARTIAL COMPLETION: I understand that the practice identified is not fully completed and requires some additional work. I hereby certify that I will complete this practice by _____ otherwise I will be responsible for returning cost-shares already received.									
27. SIGNATURE (partial completion):						DATE:			
CERTIFICATION BY PARTICIPANT: I certify that the above information is true and correct. I further certify that the entry in Col. F shows that the practice was performed in accordance with the practice specifications and other program requirements. I hereby apply for payment to the extent that the Approving Official has determined that the practice has been performed and further certify that this payment is not a duplicate of any other earned by me. I agree to maintain this practice for at least _____ years following the year the practice is completed. I agree to refund all or part of the cost-share/incentive assistance paid to me, as determined by the Approving Official, if before expiration of the practice service life specified above, I (a) destroy the practice installed, or (b) voluntarily relinquish control of title to the land on which the installed practice has been established and the new owner and/or operator of the land does not agree in writing to properly maintain the practice for the remainder of its specified service life.									
28. SIGNATURE (completion):						DATE:			

Continued on next page

CCC-1245	<b>U.S. DEPARTMENT OF AGRICULTURE</b>  <b>COMMODITY CREDIT CORPORATION</b>  <b>PRACTICE APPROVAL AND PAYMENT APPLICATION</b>	Form Approved (03/06/01) & (xx/xx/xx)  OMB NO. 0560-0174 OMB NO. 0578-XXXX
<b>PRIVACY ACT AND PUBLIC BURDEN STATEMENT</b>		
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974, (5 U.S.C. 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR 1466 (EQIP), 7 CFR 1469 (FPP), 7 CFR 636 (WHIP), and Public Law 106-224, Section 133(b), AMA, and Section 211(b), SWCA. The information will be used to allow a farmer, rancher, or landowner to apply for conservation benefits under the terms and conditions of the contract. Furnishing the required information is necessary to determine properly the eligible land for the applicable program benefits. Failure to furnish the requested information will result in the applicant being unable to apply for or receive benefits under the applicable programs. (This information may be provided to other agencies, IRS, Department of Justice, or other State or Federal Law Enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 U.S.C. 286, 287, 371, 641, 651, 1001; 15 U.S.C. 714m; and 31 U.S.C. 3729 may also be applicable to the information provided. ) – APPROPRIATE LANGUAGE NEEDS TO BE PROVIDED</p> <p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collections is 0578-XXXX. The time required to complete this information collection is estimated to average 35/0.538 minutes/hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection information.</p>		

<b>USDA NONDISCRIMINATION STATEMENT</b>
<p>"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer."</p>

Livestock Class code for CCC-1245

Code	Livestock type
A	Sheep
B	Beef
D	Dairy
H	Horse
N	Non-Livestock
O	Other
P	Poultry
S	Swine
Y	Livestock

**515.142 CCC-1245 Practice Approval and Payment Application** (continued)**Practice Resource Concerns for CCC-1245**

<b>RESOURCE CONCERN CODE</b>	<b>RESOURCE</b>	<b>CONCERN</b>	<b>PROBLEM</b>
SE1	SOIL	Soil Quality	Excessive Sheet and Rill Erosion
SE2	SOIL	Soil Quality	Excessive Other Erosion, Classic Gully, Ephemeral Gully, Channel Scour, Streambank
SQ1	SOIL	Soil Quality	Excessive Wind Erosion
SQ2	SOIL	Soil Quality	Irrigation Induced Erosion
SQ3	SOIL	Soil Quality	Soil Mass Movement
SQ4	SOIL	Soil Quality	Road Banks and Construction Site Erosion
SQ5	SOIL	Soil Quality	Increased Compaction
SQ6	SOIL	Soil Quality	Use Limitations, Poor Soil Tilth, Crusting, infiltration, Organic Matter
SQ7	SOIL	Soil Quality	Soil Contaminants from Excess Animal Waste, Pesticides, or Other Organics
SQ8	SOIL	Soil Quality	Build Up of Soil Phosphorus
SQ9	SOIL	Soil Quality	Increased Salinity
SQ10	SOIL	Soil Quality	Subsidence
SQ11	SOIL	Soil Quality	Soil Deposition
SQ12	SOIL	Soil Quality	Other
SL1	SOIL	Land Quantity	Conservation of Agricultural Lands to Non-Agricultural Use
SL2	SOIL	Land Quantity	Other
WQ1	WATER	Quantity	Excess Subsurface Water
WQ2	WATER	Quantity	Flooding/Excess Surface Water
WQ3	WATER	Quantity	Insufficient Water Supply for Communities or Individuals
WQ4	WATER	Quantity	Insufficient Water Supply for Fish and/or Wildlife
WQ5	WATER	Quantity	Insufficient Water Supply for Irrigation
WQ6	WATER	Quantity	Insufficient Water Supply for Livestock
WQ7	WATER	Quantity	Loss of Wetlands
WQ8	WATER	Quantity	Declining Water Tables
WQ9	WATER	Quantity	Other
WG1	WATER	Ground Water Quality	Nutrients
WG2	WATER	Ground Water Quality	Animal Waste, Organics and Pathogens
WG3	WATER	Ground Water Quality	Pesticides
WG4	WATER	Ground Water Quality	Salts and Heavy Metals
WG5	WATER	Ground Water Quality	Loss of Wetlands
WG6	WATER	Ground Water Quality	Other
WS1	WATER	Surface Water Quality	Nutrients
WS2	WATER	Surface Water Quality	Animal Waste, Organics and Pathogens
WS3	WATER	Surface Water Quality	Pesticides
WS4	WATER	Surface Water Quality	Salts and Heavy Metals
WS5	WATER	Surface Water Quality	Loss of Wetlands
WS6	WATER	Surface Water Quality	Loss of Riparian Vegetation
WS7	WATER	Surface Water Quality	Sedimentation

(EQIP MANUAL - 2002 FARM BILL EDITION)



**515.142 CCC-1245 Practice Approval and Payment Application** (continued)**Practice Resource Concerns for CCC-1245**

<b>RESOURCE CONCERN CODE</b>	<b>RESOURCE</b>	<b>CONCERN</b>	<b>PROBLEM</b>
WS8	WATER	Surface Water Quality	Streambank and Shoreline Erosion and Degradation
WS9	WATER	Surface Water Quality	Water Temperature Extremes
WS10	WATER	Surface Water Quality	Other
AQ1	AIR	Quality	Airborne Chemical Drift
AQ2	AIR	Quality	Airborne Odors
AQ3	AIR	Quality	Particulates Pollution, Smoke or Other Pollutants (Fungi, Molds, Pollen)
AQ4	AIR	Quality	Particulates Pollution, Excessive Wind Erosion
AQ5	AIR	Quality	Other
PF1	PLANTS	Forest Health	Deforestation
PF2	PLANTS	Forest Health	Pest Infestation
PF3	PLANTS	Forest Health	Other
PG1	PLANTS	Grazing Lands Health	Excessive Erosion
PG2	PLANTS	Grazing Lands Health	Invasion of Noxious Weeds
PG3	PLANTS	Grazing Lands Health	Invasion of Woody Vegetation
PG4	PLANTS	Grazing Lands Health	Other
PP1	PLANTS	Plant Population Health	Loss of Plant Diversity - Declining Species
PP2	PLANTS	Plant Population Health	Loss or Degradation of Riparian Vegetation
PP3	PLANTS	Plant Population Health	Plants not Adapted to Site
PP4	PLANTS	Plant Population Health	Streambank and Shoreline Erosion and Degradation
PP5	PLANTS	Plant Population Health	Other
AH1	ANIMALS	Habitat Quality	Acid Rain
AH2	ANIMALS	Habitat Quality	Invasion of Nonindigenous Plant or Animal Species
AH3	ANIMALS	Habitat Quality	Loss or Degradation of Forest or Grass Cover
AH4	ANIMALS	Habitat Quality	Loss or Degradation of Riparian Habitat
AH5	ANIMALS	Habitat Quality	Loss or Fragmentation of Habitat/Inadequate Water Source
AH6	ANIMALS	Habitat Quality	Sedimentation or Eutrophication of Water Body
AH7	ANIMALS	Habitat Quality	Water Temperature Extremes
AH8	ANIMALS	Habitat Quality	Other
AP1	ANIMALS	Population Health	Bioaccumulation of Toxins
AP2	ANIMALS	Population Health	Loss of Diversity – Declining Species – Population Imbalance
AP3	ANIMALS	Population Health	Other
AW1	ANIMALS	Wetlands Health	Impaired Water Quality
AW2	ANIMALS	Wetlands Health	Impaired Water Quality, Agricultural Runoff
AW3	ANIMALS	Wetlands Health	Loss of Plant Diversity - Declining Species
AW4	ANIMALS	Wetlands Health	Loss of Wetlands - Loss of Adjacent Habitat
AW5	ANIMALS	Wetlands Health	Sedimentation of Basins

(EQIP MANUAL - 2002 FARM BILL EDITION)

**Practice Resource Concerns for CCC-1245**

RESOURCE CONCERN CODE	RESOURCE	CONCERN	PROBLEM
AW6	ANIMALS	Wetlands Health	Significant Hydrological Modification
AW7	ANIMALS	Wetlands Health	Other
N/A	Data not Available		

REVIEW DRAFT 4: 5/23/03

# 515.143 ACP-246; Payment Summary Sheet

<b>ACP-246</b> (12-07-93)					U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency		1. FISCAL YEAR	
<b>PAYMENT SUMMARY SHEET</b>								
2. FARM NO.		NAME AND ADDRESS OF FARMER			3. NAME AND ADDRESS OF FARMER			
A. PRACTICE NO.	B. COST- SHARE EARNED	C. PAYMENT DEDUCTION	D. PERCENT SHARE	E. SHARE OF DEDUCTION	F. PAYMENT RECIEVED	G. PERCENT SHARE	H. SHARE OF DEDUCTION	I. PAYMENT SHARE
4.								
5.								
6.								
7.								
8.								
9.								
10. Total		\$		\$			\$	
11. Total cost-share earned					\$	Total cost-share earned		\$
12. Other reductions ( <i>Violations of general provisions</i> )						Other reductions		
13. Total after reductions						Total after reductions		
14. Payment reduction						Payment reduction		
15. Debts Assignments						Debts Assignments		
16. Net payment to farmer					\$	Net payment to farmer		\$
17. APPROVED FOR PAYMENT  BY:			18. CHECK NO			19. CHECK NO		
20. REMARKS:								
21. PREPARED BY					DATE			

(EQIP MANUAL - 2002 FARM BILL EDITION)

# 515.144 FSA-211; Power of Attorney

This form is available electronically.		Form Approved - OMB No. 0560-0190.	
<b>FSA-211</b> (07-25-02)		<b>U. S. DEPARTMENT OF AGRICULTURE</b> Farm Service Agency - Commodity Credit Corporation - Federal Crop Insurance Corporation <b>POWER OF ATTORNEY</b>	
<b>THE UNDERSIGNED</b> does hereby appoint (1) _____, of (2) _____ (3) _____ County, State of (4) _____, the attorney-in-fact to act for (5) _____ in connection with Farm Service Agency and Commodity Credit Corporation program number(s) checked below. Checking any of the FSA or CCC programs does not have any impact as to the FCIC transactions checked below:			
<b>A. FSA and CCC PROGRAMS</b> <i>(Check applicable program numbers)</i>		<b>B. Transactions for FSA and CCC Programs</b> <i>(Check applicable program numbers)</i>	
1. All current programs. 2. All current and all future programs. 3. Direct and Counter-Cyclical Program except 2002 peanuts covered by Item A4. 4. 2002 Direct and Counter-Cyclical Peanut Program. 5. Peanut Quota Buy-Out Program.	6. Noninsured crop Disaster Assistance Program. 7. Tobacco programs. 8. Marketing Assistance Loans and Loan Deficiency Payments. 9. Conservation programs. 10. Milk Income Loss Contract Program. 11. Other (specify) _____	1. All actions. 2. Signing applications, agreements, and contracts. 3. Election of bases and yields except peanut designation covered by Item B4. 4. Designation of peanut historical base and yield to a farm.	5. Making reports. 6. Conducting all marketing assistance loan and LDP transactions. 7. Other (specify) _____
This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to certain FCIC programs and crops. Checking any of the FCIC transactions does not have any impact as to the FSA or CCC transactions checked above:			
<b>C. FCIC CROPS</b> <i>(Check applicable program numbers)</i>		<b>D. TRANSACTION NUMBERS USED BY FCIC</b> <i>(Check applicable numbers)</i>	
1. 2. 3. 4.	1. All actions. 2. Making application for insurance. 3. Reporting crop acreage and notice of damage reports. 4. Making claim for indemnity. 5. Making contract changes. 6. Other (Specify) _____		
This Power of Attorney is valid in all counties in the United States unless otherwise noted. This power of attorney shall remain in full force and effect until (1) written notice of its revocation has been duly served upon FSA; (2) death of the undersigned grantor; or (3) incompetence or incapacitation of the undersigned grantor. The undersigned grantor shall provide separate written notice of revocation to the applicable crop insurance agent. This power of attorney shall not be effective until properly executed and served to a FSA Service Center.			
<b>AUTHORIZED SIGNATURES:</b>			
6A. Signature(s) of Grantor(s) <i>(Individual)</i>		B. Date <i>(MM-DD-YYYY)</i>	
7A. Signature of Grantor <i>(Partnership, Corporation, Trust, etc.)</i>		B. Title	
8A. Witness Signature <i>(FSA Employee Only)</i>		B. Date <i>(MM-DD-YYYY)</i>	
9. Notary Public <i>(this form shall be acknowledged by a Notary Public unless witnessed by a FSA employee or a corporate seal of grantor is affixed).</i>		C. Social Security Number	
Signature (a) _____ State of (b) _____ County of (c) _____		D. Identification No. of Entity	
10. This power of attorney was served to (a) _____ County FSA Office, (b) State of _____ and became effective this (c) _____ day of (d) _____, (e) _____		C. Official Position	
<small>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is The Food Security and Rural Investment Act of 2002 (Pub. L. 107-171) and 7 CFR Part 718. The information will be used to legally document your opinion to appointing an attorney-in-fact, identify the person and authorities granted to the appointee. Furnishing the requested information is voluntary; however, failure to furnish the requested information will result in the individual or entity not be able to act as your attorney-in-fact. This information may be provided to other agencies, IRS, Department of Justice or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</small>			
<small>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0190. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</small>			
<b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b>			
<small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.</small>			

# 515.145 CCC-501B; Designation of "Permitted Entities"

This form is available electronically.

Form Approved - OMB No. 0560-0096.

<b>CCC-501B</b> (12-14-99)	<b>U. S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation	1. NAME OF INDIVIDUAL		
		2. COUNTY	3. STATE	4. DATE (MM-DD-YYYY)

## DESIGNATION OF "PERMITTED ENTITIES"

**Note:** The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The Agriculture Act of 1949, as amended, and the Food Security Act of 1985, as amended, authorize the collection of data on this form which will be used in applying statutory payment eligibility and limitation provisions. Furnishing this data is voluntary, however, without it we may be unable to establish your maximum eligibility for program payments. This data may be furnished to any agency responsible for enforcing these provisions.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0096. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.**

### PART A- ALL ENTITIES

List each entity, an individual farming interest, an interest in a joint operation, and such individual's, entity's, or joint operation's social security or employer identification number in which you have a farming interest, regardless of whether or not such entity receives a direct payment. For any interest you have in the embedded entity, list the name and the employee identification number of both the embedded entity and the entity receiving payments directly for the Commodity Credit Corporation or other agency of the U. S. Department of Agriculture. See page 2 of this form for definitions and examples related to this Section.

ENTITY (Direct Payment entity)	SOCIAL SECURITY/EMPLOYER IDENTIFICATION NUMBER 6.	EMBEDDED ENTITY (Indirect Payment entity) 7.	SOCIAL SECURITY/EMPLOYER IDENTIFICATION NUMBER 8.
a.			
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			

### PART B – PERMITTED ENTITIES

List three entities with embedded entities, if any, through which you wish to receive payments, subject to applicable limitations. Any farming interest which you have as an individual and which receives payments subject to applicable limitations must be listed. List your individual farming interest and any individual interest in a joint operation as one entity.

9.
10.
11.

### PART C - CERTIFICATION

I certify that all the information entered on this document is true and correct. I understand furnishing incorrect information will result in forfeiture of payments and the assessment of penalty. I will timely provide written notification to the Farm Service Agency committees for the county and State listed on this form of any changes in the information provided.

12. SIGNATURE OF PRODUCER	DATE (MMD-YYYY)
---------------------------	-----------------

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

## 515.146 NRCS LTP-13, Status Review

United States Department of Agriculture  
Natural Resources Conversation Service

FORM APPROVED  
OMB NUMBER 0578-0019  
NRCS-LTP-13  
10/97

### STATUS REVIEW

This information is used in both the development and implementation of a Conservation, Reclamation or Water Quality plan as the basis for technical assistance and/or cost sharing. The authorities for such work are: 16 USC 590a-f (Soil Conservation); 16 USC 1301-1311 (Water Bank); 16 USC 590p(b) (Great Plains); 30 USC 1236 et seq. (Rural Abandoned Mines); 33 USC 1288 et seq. (Rural Clean Water); 43 USC 1592(c) (Colorado River Basin Salinity Control); 16 USC 3831 (Conservation Reserve). Furnishing information is voluntary and will be confidential; however, it is necessary in order to receive assistance.

County \_\_\_\_\_ Date \_\_\_\_\_ Contract or Agreement No \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Progress in applying plan:

Revision of plan or modification of contract needed:

Need for technical assistance:

Land is still under control of the participant: ☐ Yes ☐ No

Signed \_\_\_\_\_

District Conservationist or Administering Agency

Participant

*Continued on next page*

**OMB DISCLOSURE STATEMENT-**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0578-0019. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate of any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, (OMB no. 0578-0019), Stop 7630, Washington, D.C. 20250-7630.

REVIEW DRAFT 4: 5/23/03

## 515.147 NRCS/FSA Roles and Responsibilities

---

SUBJECT: EQIP – FSA and NRCS Responsibilities for FY 2003

The Memorandum of Understanding previously signed by the Administrator, FSA and the chief, NRCS reflects the cooperation, expectations, and responsibilities between FSA/Commodity Credit Corporation and NRCS in implementing EQIP and continues in effect. This joint memorandum outlines the tasks agreed to be performed by FSA and NRCS, respectively, during FY 2003 at the national, state and local levels and serves as the basis for reimbursement for services.

Tasks outlined in this joint memorandum apply to *all existing and new contracts*, as applicable, and supersede the relevant sections of the current EQIP manual and the FY 2002 responsibilities joint memorandum. State FSA and NRCS offices shall ensure that copies of this memorandum are timely provided to NRCS field offices, county FSA offices, and county FSA committees. File all three memoranda with the current EQIP manual.

### **FSA Responsibilities:**

Because FSA services are reimbursed, FSA employees are authorized to perform for EQIP only the tasks outlined in the reimbursable agreement or as otherwise provided in the applicable statute. For FY 2003 EQIP, FSA is responsible for the following tasks:

#### National FSA Office:

- \* Provide consultation regarding policies, procedures, regulations, manuals, national program priorities, funding decisions, and allocations to States
- \* Provide leadership and guidance for FSA offices on FSA activities in EQIP
- \* Develop user requirements and program, test, issue, and maintain software to support EQIP activities
- \* Issue allocations to State FSA offices for initial allocations, reallocations, and EOA=s as requested by NRCS NHQ
- \* Maintain National EQIP ledgers, including NRCS funds slippage accounts
- \* Receive notification of State-approved EOA=s and adjust National ledgers
- \* Ensure funds are obligated to EOA reserves, as applicable
- \* Ensure prompt data entry and reports, as applicable, as requested by NRCS

#### State FSA Committee:

- \* May participate on State Technical Committee regarding EQIP policy. This is a nonreimbursable item.
- \* Hear and issue determinations for reconsiderations and appeals for which FSA made initial adverse determination. This is a nonreimbursable item.

#### State FSA Office:

- \* SED may participate on State Technical Committee regarding EQIP policy. This is a nonreimbursable item.
- \* SED provide leadership for FSA activities in EQIP in the State
- \* Implement administrative processes and procedures relating to:
  - o Maintaining EQIP records in system
  - o Financial performance reporting
  - o Financial matters, including allocation and program accounting
- \* Interpret National policy and procedure for FSA offices
- \* Draft and publish State supplemental policy and procedure, if applicable

(EQIP MANUAL - 2002 FARM BILL EDITION)



## 515.147 NRCS/FSA Roles and Responsibilities *(continued)*

---

- \* Maintain State allocation ledgers, including FY 2002 initial allocation EOA reserve
- \* Issue allocations to county FSA offices based on receipt of CCC-357 and/or written NRCS instructions, as applicable, including:
  - o Initial allocation
  - o Approved reallocation of funds, including LHHS funds
  - o Approved EOA's
- \* Oversee county allocation management, including resolving discrepancies
- \* Control aggregate payment limitation for participants with farming interests in more than 1 State
- \* Prepare case files for and present appeals before State FSA committee for which FSA made initial adverse determination. This is a nonreimbursable item.
- \* Represent FSA in mediation and before NAD for appeals. This is a nonreimbursable item.

### County FSA Committee:

- \* May participate on Local Work Group regarding EQIP policy. This is a nonreimbursable item.
- \* Verify individual or entity designation of applicant, as necessary, for FY 2003
- \* Determine producer eligibility, including compliance with Adjusted Gross Income (AGI) certification and whether there has been a violation of landlord/tenant provisions.  
**Notes:** If FSA determines producer does not meet eligibility requirements, FSA is responsible to notify producer of this FSA decision. Ensure appeal rights are provided according to Handbook 1-APP.
- \* Hear and issue determinations for EQIP reconsiderations and appeals according to Handbook 1-APP. This is a nonreimbursable item.

### County FSA Office

- \* CED may participate on Local Work Group regarding EQIP policy. This is a nonreimbursable item.
- \* Update county eligibility tables
- \* CED ensure effective working relationship and workflow with NRCS are maintained
- \* Accept applications and receive applications accepted by NRCS for individual or entity wishing to participate in EQIP. Record in system.
  - o Obtain signatures on applications and CCC-1200 appendix
  - o Obtain other missing information on applications, as needed  
**Note:** FSA is not authorized to address any program policy questions regarding EQIP. Refer producers with questions to NRCS.
  - o Verify and, as necessary, establish farm records
  - o Verify signature authorization (Power of Attorney), as necessary
  - o Accept and process CCC-502
  - o Accept and process CCC-526 or statement of AGI compliance for EQIP applicants beginning with FY 2003 contracts
  - o Accept and process AD-1026. Determine whether producer has violated HELC or WC provisions and, if so, notify NRCS.
  - o Determine amount of aggregate EQIP payment limitation remaining available for obligation  
**Note:** Software is being developed to perform this task.
  - o Determine whether land offered for EQIP is enrolled in CRP and notify NRCS
  - o After recording applications in system, provide applications to NRCS  
**Note:** All applications shall be recorded, regardless of whether they result in funded contracts.

## 515.147 NRCS/FSA Roles and Responsibilities *(continued)*

---

- \* Generate and provide to NRCS Applications Received Report (EEB710-R001) on a weekly basis for each application period
- \* Receive and record allocations
- \* Maintain ledgers to provide funds tracking of allocations and obligations
- \* Receive contract support document from NRCS and record in system only conservation practices but not components
- \* As requested by NRCS, provide the amount of unobligated balance available on the ledger. NRCS will minimize number of times requested.
- \* Receive approved contract from NRCS and record initial expiration date and contract approval date in system
- \* Ensure that obligations in excess of allocations are NOT recorded in system. Promptly notify NRCS office approving any obligation in excess of allocation and STO that such transaction cannot be recorded.
- \* According to provisions of CONOP notice and agreement between SED and State Conservationist, maintain and guarantee access to NRCS or transfer to NRCS and be guaranteed access to official files for all EQIP contracts
- \* Create CCC-1245s at the beginning of the FY in which practice is scheduled to be performed and provide to NRCS
- \* As requested by NRCS before signing CCC-1245 if actual expenses exceed estimated expenses, provide the amount of funds remaining on the contract
- \* Receive from NRCS completed CCC-1245 including certification of partial or final performance, extent performed, amount earned, and signature in block 25 authorizing disbursement of funds
- \* FSA is responsible to return to NRCS without issuing payment any CCC-1245 recognized to contain inaccurate or incomplete data. Second-party review of
- \* CCC-1245 by FSA is not authorized.
- \* Certify authority to the signature of NRCS in block 25 of CCC-1245 by verifying against list and original signature on file
- \* Ensure producer is eligible to receive payment according to AD-1026
- \* Process requests for assignment of payment, as applicable
- \* Beginning with all FY 2002 contracts, maintain \$450,000 aggregate EQIP payment limitation by individual and entity

**Note:** Until software is issued, maintain manually.

- \* Record performance in system, which will electronically create payment
- \* Issue payment
- \* At the beginning of the FY or as otherwise provided by national directive, provide to NRCS a report of contracts with expiration dates during that FY

**Note:** Software is being developed to prepare the report.

- \* For FY 2002 contracts approved containing appendix dated July 15, 2002, or August 7, 2002, and all FY 2003 contracts, after certification of final performance of last practice or if contract expiration date is otherwise revised, receive from NRCS a copy of CCC-1200 with revised expiration date and record in system
- \* Control aggregate payment limitation for participants with farming interests in more than 1 county
- \* Resolve any ledger discrepancies
- \* Notify NRCS and STO promptly of any funds remaining unobligated on ledger

## 515.147 NRCS/FSA Roles and Responsibilities *(continued)*

---

- \* When issuing CCC-1245, record any contract modifications in system according to documentation received from NRCS
- \* Follow procedure in Handbook 1-FI, Part 8 for processing EQIP claims in the common receivable system. Receive from NRCS copy of initial notification letter sent to the producer.  
**Note:** NRCS has determined that filing a petition for bankruptcy does not affect a producer's participation in EQIP.
- \* Record succession-in-interest contracts in system, according to documentation received from NRCS
- \* Record increased contract obligations due to EOAs.
- \* Prepare case files and participate in hearing for reconsiderations and appeals before county FSA committee and in mediation sessions. This is a nonreimbursable item

### **NRCS Responsibilities:**

This memorandum clarifies that NRCS is responsible for the following tasks:

#### National NRCS Office

- \* Provide overall leadership and guidance for implementation of EQIP
- \* Consult FSA regarding policies, procedures, regulations, manuals, national program priorities, funding decisions, and allocations to States
- \* Work closely with FSA to ensure automated system supports EQIP activities
- \* Notify FSA in writing of all the following:
  - initial allocation distribution
  - allocations for approved EOAs
  - allocation redistributions, as needed

#### State NRCS Office

- \* Prepare and process requests for funds from National reserve for FY 1999, FY 2000, and FY 2001 contract EOAs and submit to NRCS NHQ.
- \* Prepare and approve requests:
  - for funds from State reserve for FY 2002 initial allocation contract EOAs and notify State FSA office of amount to be allocated
  - to use current year (FY 2003) funds for FY 1997 and FY 1998 contract EOAs and notify State FSA office of amount to be allocated
- \* Determine distribution for FY 2003 funding and notify NRCS NHQ
- \* Process each request for reallocation of funds for any FY 2003 contract approved by NRCS but not recorded in FSA automated system by COB September 30. Notify FSA STO of each approved reallocation in order that funds may be reallocated to applicable county and contract. Inform NRCS NHQ in writing of reallocations.
- \* Ensure EQIP contract approvals do not cause over-obligation of allocations
- \* State Conservationist shall review NRCS determinations, both technical and non-technical, referred by county FSA committee that heard appeal

#### Local NRCS Office

- \* DC ensure effective working relationship and workflow with FSA are maintained
- \* Announce application evaluation periods. Application is ongoing.
- \* Establish practice components, as applicable, to determine total practice costs.

## 515.147 NRCS/FSA Roles and Responsibilities *(continued)*

---

- \* Inform producers of \$450,000 aggregate payment limitation for individuals and entities effective for all contracts FY 2002 B FY 2007
- \* Approve applications for plan development
- \* Ensure all applications received are provided to FSA to be recorded in the automated system, regardless of whether they result in funded contracts
- \* Make limited resource and beginning farmer determinations
- \* Develop EQIP plan of operations
- \* Ensure all new contracts meet all 2002 Farm Bill requirements
- \* Address all EQIP program policy questions
- \* Before approving contracts, check with county FSA office to ensure sufficient unobligated funds are available. Minimize number of times requested.
- \* Ensure contract approvals do not cause over-obligation of allocation
- \* Provide to FSA contract support document that identifies practice information only. Components will not be accepted by FSA.
- \* Approve contract on behalf of CCC and date, enter initial expiration date, and promptly return to FSA to record in system
- \* Notify FSA of disapproved applications, including deferred applications which producer does not indicate a desire to continue or for which no subsequent application period is held
- \* Sign and mail to producers following letters as appropriate:
  - Application deferred
  - Application disapproved
  - Contract approved
  - Contract disapproved
  - Contract cancelled

**Note:** NRCS is responsible to notify producer of its determination to disapprove contract. Ensure appeal rights are provided for adverse determinations according to CPM, Part 510.

- \* According to provisions of CONOP notice and agreement between SED and State Conservationist, maintain and guarantee access to FSA or be guaranteed access to official files maintained by FSA for all EQIP contracts
- \* Make pen and ink changes to plan and CCC-1245, as necessary, to document revisions
- \* Obtain producer certification on CCC-1245
- \* Accept, review, and verify receipts for performed practices
- \* If actual expenses exceed estimated expenses, before signing CCC-1245 request from FSA amount of funds remaining on contract
- \* Compute payment and enter amount earned on CCC-1245
- \* Sign CCC-1245, block 25 authorizing disbursement of payment and provide to FSA to record any revisions and issue payment

**Note:** Only employees designated as authorized to sign on behalf of CCC and whose original signature has been provided to county FSA office shall sign CCC-1245=s

- \* Notify participants in writing of proof of payment requirements
- \* Gather supporting data for determining payment rates and levels
- \* Grant waivers to requirement to commence financially-assisted practice in first 12 months, and determine revised deadline

## 515.147 NRCS/FSA Roles and Responsibilities *(continued)*

---

- \* For all FY 2003 contracts and FY 2002 contracts approved containing appendix dated July 15, 2002, or August 7, 2002, after certification of final performance of last practice or if contract expiration date is otherwise revised, provide copy of CCC-1200 with revised expiration date to FSA to record in system. Revisions must be provided to FSA before contract expires.
- \* Notify producer in writing of revised contract expiration date
- \* When refunds are determined to be due, issue initial notification letter to producer according to Handbook 1-FI, Part 8, and provide copy to FSA
- \* Process any succession-in-interest contracts and provide copy of revised CCC-1200 to FSA to record in system
- \* When NRCS makes initial adverse technical or non-technical determination, notify participant and provide opportunity to have either a field visit or mediation as prescribed by 7CFR '614.101
- \* Notify participants of right to appeal an NRCS final determination regarding EQIP to the county FSA committee within 30 days of the date of notification of the decision
- \* Prepare for and participate in hearing of NRCS adverse technical or non-technical determination before county and State FSA Committee and NAD

REVIEW DRAFT 4: 5/22/03

**Conservation Practice 1/ Life Spans**

<b>PRACTICE NAME</b>	<b>UNIT</b>	<b>PRACTICE CODE</b>	<b>SERVICE LIFE (Years)</b>
Access Road	(ft.)	560	10
Agrochemical Mixing Facility	(no.)	702	20
Agrochemical Mixing Station, Portable	(no.)	703	10
Agro Tillage	(ac.)	761	1
Agroforestry Planting	(ac.)	704	15
Alley Cropping	(ac.)	311	15
Air Management	(ac.)	705	10
Animal Trails and Walkways	(ft.)	575	10
Animal Use Area Protection	(ac.)	757	10
Artificial Groundwater Recharge System	(no.)	706	15
Barnyard Runoff Management	(no.)	707	10
Bedding	(ac.)	310	10
Brush Management	(ac.)	314	10
Channel Vegetation	(ac.)	322	10
Chiseling & Subsoiling	(ac.)	324	1
Cistern	(no.)	708	15
Clearing & Snagging	(ft.)	326	5
Closure of Abandoned Waste Facility	(no.)	709	15
Coastal Wetland Establishment	(ac.)	710	10
Composting Facility	(no.)	317	15
Conservation Cover	(ac.)	327	10
Conservation Cover (w/ trees, shrubs)	(ac.)	327A	15
Conservation Crop Rotation	(ac.)	328	1
Contour Buffer Strips	(ac.)	332	10
Contour Farming	(ac.)	330	1
Contour Orchard and Other Fruit Area	(ac.)	331	10
Contour Livestock Lounging Area	(ac.)	711	10
Controlled Drainage	(ac.)	335	10
Covered Anaerobic Lagoon	(no.)	735	15
Cover Crop	(ac.)	340	1
Critical Area Planting	(ac.)	342	10
Critical Area Planting (w/ trees, shrubs)	(ac.)	342A	15
Cross Slope Block Farming	(ac.)	750	1
Cross Slope Farming	(ac.)	733	1
Cross Wind Ridges	(ac.)	589A	5
Cross Wind Stripcropping	(ac.)	589B	5
Cross Wind Trap Strips	(ac.)	589C	5
Cut Bank Stabilization	(ac.)	742	10
Dam, Diversion	(no.)	348	15
Dam, Floodwater Retarding	(no.)	402	15
Dam, Multiple Purpose	(no.)	349	15

(EQIP MANUAL - 2002 FARM BILL EDITION)

Digester, Plug Flow (Interim)	(no.)	736	15
Complete Mix (Interim)	(no.)	736	15
Dike	(ft.)	356	20
Diversion	(ft.)	362	10
Dry Hydrant	(no.)	712	15
Farm*A*Syst Evaluation1/	(no.)	752	5
Fence	(ft.)	382	20
Field Border	(ft.)	386	10
Field Windbreak	(ft.)	392	15
Filter Strip	(ac.)	393	10
Filter Strip (w/ trees, shrubs)	(ac.)	393A	15
Filter Strip, Waste Treatment	(ac.)	780	10
Firebreak	(ft.)	394	10
Fish Raceway or Tank	(ft.)	398	10
Fish Stream Improvement	(ft.)	395	15
Fishpond Management	(no.)	399	1
Floodwater Diversion	(ft.)	400	15
Floodway	(ft.)	404	15
Forage Harvest Management	(ac.)	511	1
Forest Harvest Trails & Landings	(ac.)	655	5
Forest Site Preparation	(ac.)	490	1
Forest Stand Improvement	(ac.)	666	10
Furrow Diking	(ac.)	715	10
Grade Stabilization Structure	(no.)	410	15
Grassed Waterway	(ac.)	412	10
Grazing Land Mechanical Treatment	(ac.)	548	5
Heavy Use Area Protection	(ac.)	561	10
Hedgerow Planting	(ft.)	422	15
Herbaceous Wind Barriers	(ft.)	422A	5
Hillside Bench	(ac.)	739	10
Hillside Ditch	(ft.)	423	10
Improved Water Application	(ac.)	743	1
Infiltration Ditches	(ft.)	753	15
Integrated Crop Management	(ac.)	751	1
Irrigation Canal or Lateral	(ft.)	320	15
Irrigation Erosion Control, Polyacrylamide	(ac.)	716	1
Irrigation Field Ditch	(ft.)	388	15
Irrigation Land Leveling	(ac.)	464	15
Irrigation Pit	(no.)	552A	20
Irrigation Regulating Reservoir	(no.)	552B	15
Irrigation Storage Reservoir	(no.)	436	15
Irrigation System Trickle	(no.)	441	10

Sprinkler	(no.)	442	15
Surface & Subsurface	(no.)	443	15
Subirrigation	(no.)	754	15
Low Energy Precision Application	(no.)	718	10
Irrigation System, Tailwater Recovery	(no.)	447	20
Irrigation Water Conveyance, Ditch and Canal Lining Nonreinforced Concrete	(ft.)	428A	20
Flexible Membrane	(ft.)	428B	15
Galvanized Steel	(ft.)	428C	20
Pipeline	(ft.)	430A	20
Aluminum Tubing			
Asbestos-Cement	(ft.)	428B	15
Nonreinforced Concrete	(ft.)	428C	25
High Pressure, U-G, Plastic	(ft.)	428D	25
Low-pressure, U-G, Plastic	(ft.)	428E	25
Steel	(ft.)	428F	25
Reinforced Plastic Mortar	(ft.)	428G	25
Rigid Gated Pipeline	(ft.)	428H	15
Irrigation Water Management	(ac.)	449	1
Land Clearing	(ac.)	460	10
Land Grading	(ac.)	744	10
Land Smoothing	(ac.)	466	10
Lined Waterway or Outlet	(ft.)	468	15
Livestock Shade Structure	(no.)	717	10
Manure Transfer	(no.)	634	1
Mole Drain	(ft.)	482	5
Mulching	(ac.)	484	1
Nutrient Management	(ac.)	590	1
Obstruction Removal	(ac.)	500	10
Open Channel	(ft.)	582	15
Pasture & Hayland Management	(ac.)	510	1
Pasture & Hayland Planting	(ac.)	512	10
Pest Management	(ac.)	595	1
Pipeline	(ft.)	516	20
Planned Grazing System	(ac.)	762	5
Pollution Retention Reservoir	(no.)	720	20
Pond	(no.)	378	20
Pond Sealing or Lining	(no.)	521A	20
Flexible Membrane			
Soil Dispersant	(no.)	521B	20
Bentonite	(no.)	521C	15
Cationic Emulsion	(no.)	521D	15
Asphalt-Sealed Fabric Liner	(no.)	521E	20



Precision Land Forming	(ac.)	462	10
Prescribed Burning	(ac.)	338	5
Prescribed Grazing	(ac.)	528A	5
Pumped Well Drain	(no.)	532	20
Pumping Plant for Water Control	(no.)	533	15
Range Planting	(ac.)	550	10
Recordkeeping 2/	(no.)	748	1
Regulating Water in Drainage Systems	(ac.)	554	20
Residue Management, No-till & Strip Till	(ac.)	329A	1
Mulch Till	(ac.)	329B	1
Ridge Till	(ac.)	329C	1
Seasonal	(ac.)	329D	1
Rice Water Quality Management	(ac.)	746	1
Riparian Buffer - Vegetative	(ac.)	759	10
Riparian Forest Buffer	(ac.)	391	15
Riparian Herbaceous Cover	(ac.)	390	10
Road or Landing Removal	(ac.)	722	10
Rock Barrier	(ft.)	555	10
Roof Runoff Management	(no.)	558	15
Roofing for Runoff Control	(sq. ft.)	724	20
Row Arrangement	(ac.)	557	5
Sediment Basin	(no.)	350	20
Shallow Water for Wildlife	(ac.)	646	10
Sinkhole Treatment	(no.)	725	10
Slope Roughening	(ac.)	726	1
Snow Harvesting	(ac.)	727	15
Soil Salinity Management-Nonirrigated	(ac.)	571	1
Soil Salinity Control	(ac.)	738	5
Spoil Spreading	(ac.)	572	1
Spring Development	(no.)	574	10
Streambank & Shoreline Protection	(ft.)	580	20
Stream Channel Stabilization	(ft.)	584	10
Stream Corridor Improvement	(ft.)	745	10
Stream Crossing	(no.)	728	10
Stripcropping, Contour	(ac.)	585	5
Field	(ac.)	586	5
Strip Intercropping	(ac.)	758	5
Structure for Water Control	(no.)	587	20
Subsurface Drain	(ft.)	606	20
Surface Drainage			
Field Ditch	(ft.)	607	15
Main or Lateral	(ft.)	608	15

Surface Roughening	(ac.)	609	1
Surface Flooding of Organic Soils	(ac.)	756	1
Surface Wetting	(ac.)	760	1
Terrace	(ft.)	600	10
Terrace, Special Parallel	(ft.)	600SP	10
Thermokarst Stabilization	(ac.)	729	1
Toxic Salt Reduction	(ac.)	610	5
Tree/Shrub Establishment	(ac.)	612	15
Tree/Shrub Pruning	(ac.)	660	10
Trough or Tank	(no.)	614	10
Underground Outlet	(ft.)	620	20
Use Exclusion	(ac.)	472	10
Vegetative Barriers	(ft.)	734	5
Vegetative Buffer Strips	(ac.)	741	10
Vertical Drain	(no.)	630	20
Waste Field Storage Area	(no.)	749	10
Waste Storage Facility	(no.)	313	15
Waste Storage Pond	(no.)	425	15
Waste Treatment Lagoon	(no.)	359	15
Waste Utilization	(ac.)	633	1
Wastewater Irrigation	(ac.)	732	1
Wastewater (Milkhouse) Treatment System	(no.)	719	15
Water Harvesting Catchment	(no.)	636	10
Watering Ramp for Livestock	(no.)	730	10
Water & Sediment Control Basin	(no.)	638	10
Water Spreading	(ac.)	640	15
Water Table Control	(ac.)	641	20
Well	(no.)	642	20
Well Testing 2/	(no.)	731	1
Well Decommissioning	(no.)	351	20
Wetland Creation	(ac.)	658	15
Wetland, Constructed	(ac.)	656	15
Wetland Enhancement	(ac.)	659	15
Wetland Restoration	(ac.)	657	15
Wildlife Habitat, Early Successional Habitat Development and Management	(ac.)	647	15
Wildlife Habitat, Restoration and Management of Declining Habitat	(ac.)	643	15
Wildlife Upland Habitat Management	(ac.)	645	1
Wildlife Watering Facility	(no.)	648	5
Wildlife Wetland Habitat Management	(ac.)	644	1
Windbreak/Shelterbreak Establishment	(ft.)	380	15
Windbreak/Shelterbreak Renovation	(ft.)	650	15
Woody Root Pruning	(ac.)	747	5

Woodland Pruning	(ac.)	763	5
------------------	-------	-----	---

1/ Not all practices listed are may be eligible for EQIP financial assistance

2/ This practice is generally a component of another conservation practice that is eligible for cost-shares or incentive payments.

An EQIP contract may contain codes for payments for a limited number of items that are not “conservation practices”. The following is list of eligible EQIP contract payment item codes.

#### EQIP Contract Payment Item Codes

PRACTICE NAME	UNIT	PRACTICE CODE	SERVICE LIFE (Years)
Comprehensive Nutrient Management Plan (CNMP)	(no.)	100	1
Technical Assistance Reimbursement for Planning	(no.)	910	1
Technical Assistance Reimbursement for Design	(no.)	911	1
Technical Assistance Reimbursement for Application	(no.)	912	1

**Note:** Conservation practice service life may be modified by a State Conservationist, with advice from the State Technical Committee, to reflect the conservation needs of a state or locality. Conservation practice service life used in other conservation programs, such as CRP and WRP should be consistent.

- Application deferred
- Application disapproved
- Contract approved
- Contract disapproved
- Contract cancelled

REVIEW DRAFT 4: 5/23/03

**Glossary of Terms**  
**(See Conservation Programs Manual (CPM), Section 520.00, Subpart A)**

Agricultural Commodity	Any crop planted and produced by annual tilling of the soil or tilling on an annual basis by one trip planters, or alfalfa, and other multi-year grasses and legumes in rotation as approved by the Secretary. Land shall be considered planted to an agricultural commodity during a crop year if, as determined by the NRCS, an action of the Secretary prevented land from being planted to the commodity during the crop year.
Agricultural land	Cropland, rangeland, pastureland, forest land, and other land on which crops or livestock are produced. This also includes tree farms.
<u>Agricultural Operation</u>	Means a parcel or parcels of land whether contiguous or noncontiguous, constituting a cohesive management unit for agricultural purposes. An agricultural operation shall be regarded as located in the county in which the principle dwelling is situated, or if there is no dwelling thereon, it shall be regarded to be in the county in which the major portion of the land is located.
Agricultural Producer	Means an individual or entity who is engaged in livestock or agricultural production.
Agricultural Production	Means farm or ranch operations involving the growing or raising of crops or wildlife for the production of food or fiber
Animal unit	One Thousand pounds of live weight of any given livestock species or any combination of livestock species.
Animal waste management facility	A structural practice used for the storage or treatment of animal waste.
Applicant	An eligible person who requests cost-sharing for a practice or who contributes to the cost of performing a practice.
Beginning Farmer	An entity who, in accordance with section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999(a)): A. Has not operated a farm or ranch for more than 10 years. For an entity to qualify as a beginning farmer or rancher all members of the entity must qualify;
Chief	The Chief of the Natural Resources Conservation Service or the person delegated authority to act for the Chief.
Community Member	An individual or group of clients that may or may not be decision makers and who have an interest in or may be impacted by actions recommended in the implementation of USDA programs.
Comprehensive Nutrient Management Plan	Any combination of structural practices, land management practices, and management activities associated with crop or livestock production that collectively ensure that the purposes of crop or livestock production and

(EQIP MANUAL - 2002 FARM BILL EDITION)

**515.150 Glossary of Terms** (continued)

	preservation of natural resources (especially the preservation and enhancement of water quality) are compatible.
Confined livestock feeding operation	A livestock facility that stables, confines, feeds, or maintains animals for a total of 45 days or more in any 12-month period and does not sustain crops, vegetation, forage growth, or post-harvest residues within the confined area in the normal growing season over any portion of the confinement facility.
Conservation District	A political subdivision of a State, Indian Tribe or territory, organized pursuant to the State or territorial soil conservation district law, or Tribal law. The subdivision may be a conservation district, soil conservation district, soil and water conservation district, resource conservation district, natural resource district, land conservation committee, or similar legally constituted body.
Conservation Management System	A combination of conservation practices and management practices that achieves a level of treatment of the resources that satisfies criteria in the FOTG for a resource management system.
Conservation Plan	A record of the client's decisions and supporting information, for treatment of a land unit or water as a result of the planning process, that meets FOTG quality criteria for each natural resource (soil, water, air, plants, and animals) and takes into account economic and social considerations. The plan describes the schedule of operations and activities needed to solve identified natural resource problems and take advantage of opportunities at a conservation management system level. The needs of the client, the resources, Federal, state, and local requirements will be met.
Conservation Practice	A specified treatment, such as a structural or vegetative practice or management technique commonly used to meet a specific need in planning and carrying out soil and water conservation programs for which standards and specifications have been developed. Conservation practices are in the FOTG, Section IV, which is based on the National Handbook of Conservation Practices (NHCP).
Contract/Cost-Share Agreement	A legal document that specifies the obligations and the rights of any person who has been accepted for participation in the conservation program.
Cost-share payment	The payments made to a participant, under the particular program, specifically mentioned.
County Executive Director	Means the FSA employee responsible for directing and managing program and administrative operations in one or more FSA county offices.
Decision maker	An individual group, unit of government, or other entity that has the authority by ownership, position, office, delegation, or otherwise to decide on a course of action.
Designated	A NRCS employee whom the State Conservationist has designated as

**515.150 Glossary of Terms** (continued)

Conservationist	responsible for administration of the program in question.
Enrolled	The acres or area in question shall be considered enrolled at the time funds have been committed, a "tentative acceptance" letter has been sent to the participant(s) and the participant(s) has indicated an interest to continue in the program.
Farm Service Agency County Committee	A committee elected by the agricultural producers in the county or area, in accordance with Section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended.
Farm Serve Agency State Committee	A committee in as State or the Caribbean Area (Puerto Rico and the Virgin Islands) appointed by the Secretary in accordance with Section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended.
Field Office Technical Guide	The official NRCS guidelines, criteria, and standards for planning and applying conservation treatments (General Manual 450, Part 401).
Habitat Development	The physical actions or practices undertaken to establish, improve, protect, enhance, or restore the present conditions of the land for the specific purpose of improving conditions for wildlife.
Incentive Payment	The monetary or financial assistance to the participant in an amount and at a rate determined appropriate to encourage the participant to perform a land management practice that would not otherwise be initiated without program assistance.
Indian Tribe	Any Indian tribe, band, nation or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.
Indian Trust Lands	Real property in which (1) the United States holds title as trustee for the Indian or tribal beneficiary, or (2) the Indian or tribal beneficiary holds title and the United States maintains a trust relationship.
Land Management Practice	Conservation practices that primarily require site-specific management techniques and methods to conserve, protect from degradation, or improve soil, water, or related natural resources in the most cost-effective manner. Land management practices include, but are not limited to, nutrient management, manure management, integrated pest management, stripcropping, contour farming, grazing management, and wildlife habitat management.
Limited Resource Producer	A Limited Resource Farmer/Producer has one or more of the following characteristics: <ul style="list-style-type: none"><li>A. Total operator household income is under \$20,000; total farm assets are under \$150,000; and gross sales are under \$100,000.</li><li>B. Total household net income, for both farm and non-farm, is 75 percent or less of the median household income level for the state or county of residence</li><li>C. For an entity to qualify as limited resource all members of the entity must qualify.</li></ul>

**515.150 Glossary of Terms** (continued)

Livestock	means animals produced for food or fiber such as dairy cattle, beef cattle, poultry, turkeys, swine, sheep, horses, fish and other animals raised by aquaculture, or animals the State Conservationist identifies in consultation with the State Technical Committee.
Livestock production	Farm and ranch operations involving the production, growing, raising, breeding, and reproduction of livestock or livestock product.
Livestock-related natural resource concern	Any environmental condition, either on-site or off-site, that is directly related to any livestock activity or to livestock manure or waste.
Local	A county, a portion of a county, a watershed, or a multi-county region, or whatever geographic area is best suited to address the resource conservation needs identified.
Locally led conservation	The concept whereby local people assess their natural resource conditions and needs, set goals, identify programs and other resources to solve those needs, develop proposals and recommendations, implement solutions, and measure their success.
Natural Resources Conservation Service (NRCS)	An agency of the United States Department of Agriculture, formerly called the Soil Conservation Service.
Non-Industrial Private Forest Land (NIPF)	Rural lands with existing tree cover and other lands including cropland, pastureland, surface-mined lands, and nonstocked forest lands that are being considered for a FIP practice.
Offer Index	A ranking tool which is a number calculated by dividing the Total Environmental Points by the Total Cost Share Dollars From <b>ALL</b> Sources
Off-site	A location outside the area on which conservation treatment is being considered. Also refers to an area outside the planning unit that should be considered for potential impacts.
On-site	A location within the area on which conservation treatment is being considered.
Operation and maintenance	Work performed by the participant to keep the applied conservation practice functioning for the intended purposed during its life span. Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practice safe and functioning as intended. Maintenance includes work to prevent deterioration of the practice, repairing damage, or replacement of the practice to its original condition if one or more components fail.
Participant	An applicant who is party to one or more USDA contracts, i.e. WHIP, EQIP, CRP, etc.
Person	An individual, partnership, association, corporation, cooperative, estate, trust, joint venture, joint operation, or other business enterprise or other legal entity and whenever applicable, a State, a political subdivision of a State, or agency thereof.



**515.150 Glossary of Terms** (continued)

Plan of Operations	An EQIP plan of operations specifies when and where practices will be implemented and includes a description of the practices to be implemented and the purposes to be met by the implementation.
Planner	A person, qualified by training and experience, who effectively assists the client in completing the planning process.
Planning process	The nine-step process NRCS uses to help clients plan and apply conservation treatments or make land use and treatment decisions.
Practice	A specified treatment, such as a structural or land management measure, which is planned and applied according to NRCS standards and specifications.
Practice narrative	A brief non-technical description of the planned practice.
Producer	Means an individual or entity who is engaged in livestock or agricultural production.
Public participation	Means an integral part of planning with units of government. It provides opportunities for the public to be involved in an interchange of data and ideas.
Recurring practices	Practices repeated on the same field over the life of a contract to achieve specific habitat attributes such as early successional stages.
Regional conservationist	The NRCS employee authorized to direct and supervise NRCS activities in a NRCS region.
Riparian areas	Land that occurs along streams, channels, rivers, and other water bodies. They are normally distinctly different from the surrounding land because of unique soil and vegetation characteristics, may be identified by distinct vegetative communities which are reflective of soil conditions normally wetter than adjacent soils, and generally provided a corridor for the movement of wildlife.
Secretary	The Secretary of the United States Department of Agriculture.
Service Life	The period of time specified in the contract or conservation plan during which the conservation practice or conservation system are to be maintained and used for the intended purpose
State Conservationist	The Natural resources Conservation Service (NRCS) employee authorized to direct and supervise NRCS activities in a State, the Caribbean Area, or the Pacific Basin Area.
State Executive Director	The Farm Services Agency (FSA) employee authorized to direct and supervise FSA activities in a State, the Caribbean Area (Puerto Rico and the Virgin Islands).
State Technical Committee	A committee in each State established by the Secretary pursuant to 16 U.S.C. 3861 which provide information, analysis, and recommendations to the USDA.

Structural Practice	A conservation practice which primarily involves the establishment, construction, or installation of a site-specific measure to conserve, protect from degradation, or improve soil, water, or related natural resources in the most cost-effective manner. Examples include, but are not limited to, animal waste management facilities, terraces, grassed waterways, tailwater pits, livestock water developments, and capping of abandoned wells.
Technical assistance	Help provided by NRCS, and employees of other entities or agencies under the technical supervision of NRCS, to clients to address opportunities, concerns, and problems related to the use of natural resources.
Tribal Advisory Conservation Councils	
Unit of concern	A parcel of agricultural land that has natural resource conditions that are of concern to the participant.
USDA Local Work Group	Composed of Federal, State, county, tribal or local government representatives. The USDA local work group supports the locally led conservation effort by coordinating USDA programs with other Federal, State, tribal, and local conservation programs, to work singly and in combination to provide an integrated solution to addressing natural resource concerns.
Wildlife habitat	The aquatic and terrestrial environments required for wildlife to complete their life cycles, including air, food, cover, water, and spatial requirements.

**Glossary of Abbreviations**

<b>AC</b>	Area Conservationist
<b>ACP</b>	Agricultural Conservation Program (FSA)
<b>BCS</b>	Basic Conservation System
<b>C</b>	Cropping factor for Sheet and Rill Erosion (USLE)
<b>C</b>	Climatic factor for wind erosion (WEQ)
<b>CCC</b>	Commodity Credit Corporation
<b>CD</b>	Conservation District
<b>CED</b>	County Executive Director (FSA)
<b>CES</b>	Cooperative Extension Service
<b>CFO</b>	Conservation Farm Option
<b>C.F.R.</b>	Code of Federal Regulations
<b>COC</b>	County Committee (FSA)
<b>COD</b>	Conservation Operations Division
<b>COE</b>	US Army Corps of Engineers
<b>CPA</b>	Conservation Planning Assistance
<b>CRSCP</b>	Colorado River Basin Salinity Control Program
<b>CRP</b>	Conservation Reserve Program
<b>CTU</b>	Conservation Treatment Unit
<b>6-CP</b>	FSA Manual for administering HELC/WC provisions
<b>CW</b>	Converted Wetland
<b>CWA</b>	Clean Water Act
<b>DC</b>	District Conservationist
<b>EFT</b>	Electrical Fund Transfer
<b>EI</b>	Erodibility Index
<b>EQIP</b>	Environmental Quality Incentives Program
<b>EPA</b>	Environmental Protection Agency
<b>EWRP</b>	Emergency Wetland Reserve Program
<b>FACTA</b>	Food, Agriculture, Conservation, and Trade Act of 1990
<b>FCIC</b>	Federal Crop Insurance Corporation
<b>FIP</b>	Forestry Incentives Program
<b>FMP</b>	Forest Management Plan

*Continued on next page***Glossary of Abbreviations, Continued**

---

(EQIP MANUAL - 2002 FARM BILL EDITION)

**515.151 Glossary of Abbreviations** *(continued)*

<b>FOIA</b>	Freedom of Information Act
<b>FOTG</b>	Field Office Technical Guide
<b>FPP</b>	Farmland Protection Program
<b>FSA</b>	Farm Service Agency
<b>FS</b>	Forest Service
<b>FWS</b>	US Fish and Wildlife Service
<b>GM</b>	General Manual
<b>GPCP</b>	Great Plains Conservation Program
<b>GPS</b>	Global Positioning System
<b>HE</b>	Highly Erodible
<b>HELC</b>	Highly Erodible Land Conservation Provision of the 1985 Act
<b>I</b>	Soil Erodibility factor for wind erosion
<b>K</b>	Soil Erodibility factor for sheet and rill erosion
<b>LS</b>	Factor relating to length and steepness of slope for sheet and rill erosion
<b>NEPA</b>	National Environmental Policy Act of 1970
<b>NFSAM</b>	National Food Security Act Manual
<b>NHQ</b>	NRCS National Headquarters
<b>NPPH</b>	National Planning Procedures Handbook
<b>NRCS</b>	Natural Resources Conservation Service
<b>NTC</b>	National Technical Center
<b>OIG</b>	Office of the Inspector General
<b>OGC</b>	Office of General Counsel
<b>OW</b>	Other Waters of the US
<b>PHE</b>	Potentially highly erodible
<b>QAR</b>	Quality Assurance Reviews
<b>QAT</b>	Quality Action Team
<b>R</b>	Rainfall factor for sheet and rill erosion
<b>RECD</b>	Rural Economic and Community Development
<b>RUSLE</b>	Revised Universal Soil Loss Equation
<b>RMS</b>	Resource Management System
<b>SC</b>	State Conservationist
<b>STC</b>	State Technical Committee

*Continued on next page***Glossary of Abbreviations, Continued**

**515.151 Glossary of Abbreviations** *(continued)*

---

<b>T</b>	Tolerable soil loss in tons per acre per year
<b>USDA</b>	US Department of Agriculture
<b>USLE</b>	Universal Soil Loss Equation
<b>WBP</b>	Water Bank Program
<b>WC</b>	Wetland Conservation provisions of 1985 Act
<b>WEQ</b>	Wind Erosion Equation
<b>WHIP</b>	Wildlife Habitat Incentives Program
<b>WQIP</b>	Water Quality Incentives Program
<b>WRP</b>	Wetland Reserve Program